

VanEck Vectors™ ETFs N.V.

Annual Report 2019

The logo for VanEck, featuring the word "VanEck" in a bold, blue, serif font. The "V" and "E" are significantly larger than the other letters. A registered trademark symbol (®) is located to the upper right of the "k".

VanEck®

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1. General information

Board of Directors and Manager

VanEck Asset Management B.V. is the company's director according to the articles of association ('the Board of Directors') and acts as manager of the Company as referred to in section 2:65 of the Dutch Financial Supervision Act (Wft) ('the Manager'). The Board of Directors of VanEck Vectors™ ETFs N.V. are also responsible for the audit committee tasks. As per 1 November 2019 Think ETF Asset Management B.V. changed its legal name to VanEck Asset Management B.V. Furthermore, the name of the umbrella fund company changed per 1 November 2019 from ThinkCapital ETF's N.V. to VanEck Vectors™ ETFs N.V. The Manager has its registered office in Amsterdam and holds offices at Barbara Strozilaan 310, 1083 HN Amsterdam.

The composition of the Board of Directors is as follows:

- Mr M. Rozemuller;
- Mr G. Koning.

Supervisory Board

The supervisory board of the Manager exercises supervision on the Manager's management and on the general course of affairs at the Manager. The supervisory board is made up of:

- Mr B.J. Smith;
- Mr A.E. Philips;
- Mr T. Hunke;
- Mr J.R. Simon.

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Liquidity providers & Authorised Participants

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Index calculation and distribution

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Verenigd Koninkrijk

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External compliance officer
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Korsou Konseho B.V.
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2. Profile

VanEck Vectors™ ETFs N.V. (hereafter: 'VanEck' or the 'Company') was incorporated on 2 October 2009. The Company is an open-ended investment company with variable capital under Dutch law in the sense of article 2:76a of the Dutch Civil Code. This means that the Company will in principle issue, reissue or purchase shares on request on any trading day. The Manager was granted a licence as referred to in section 2:65 Wet of het financieel toezicht (Wft) on 12 October 2009.

Structure

The Company has what is referred to as an umbrella structure. This entails that the ordinary shares are divided into several series of shares, each designated with a letter. Every series of shares is designated as a fund to which a portion of the Company's assets is allocated (hereafter: 'Sub-fund'). Separate records are kept for every Sub-fund so that all the income and costs attributable to a Sub-fund are reported per Sub-fund. If the Prospectus makes reference to the assets of a Sub-fund, this is defined as the Company's assets allocated to the relevant Sub-fund.

The amount to be paid up on every share in a Sub-fund and the assets attributable thereto is invested for the benefit of the relevant Sub-fund. Every Sub-fund has an individual investment policy, which means every Sub-fund has its own risk profile and pricing. Increases and decreases in the value of the portfolio of a particular Sub-fund are exclusively for the benefit of or at the expense of the holders of the shares in that Sub-fund. The specific characteristics are described in more detail in a Supplement to every Sub-fund.

Since its incorporation, the Company has had the following fourteen Sub-funds listed:

In 2009

- Sub-fund A: VanEck Vectors™ AEX UCITS ETF, NL0009272749
- Sub-fund B: VanEck Vectors™ AMX UCITS ETF, NL0009272756
- Sub-fund C: VanEck Vectors™ Multi-Asset Conservative Allocation UCITS ETF, NL0009272764
- Sub-fund D: VanEck Vectors™ Multi-Asset Balanced Allocation UCITS ETF, NL0009272772
- Sub-fund E: VanEck Vectors™ Multi-Asset Growth Allocation UCITS ETF, NL0009272780

As of 14 April 2011

- Sub-fund F: VanEck Vectors™ Global Equal Weight UCITS ETF, NL0009690221
- Sub-fund G: VanEck Vectors™ Global Real Estate UCITS ETF, NL0009690239
- Sub-fund H: VanEck Vectors™ iBoxx EUR Corporates UCITS ETF, NL0009690247
- Sub-fund I: VanEck Vectors™ iBoxx EUR Sovereign Diversified 1-10 UCITS ETF, NL0009690254

As of 26 November 2012

- Sub-fund J: VanEck Vectors™ iBoxx EUR Sovereign Capped AAA-AA 1-5 UCITS ETF, NL0010273801

As of 13 May 2013

- Sub-fund K: VanEck Vectors™ Sustainable World Equal Weight UCITS ETF, NL0010408704

As of 1 October 2014

- Sub-fund L: VanEck Vectors™ European Equal Weight UCITS ETF, NL0010731816

As of 11 November 2015

- Sub-fund M: VanEck Vectors™ Morningstar North America Equal Weight UCITS ETF, NL0011376074

As of 23 May 2016

- Sub-fund N: VanEck Vectors™ Morningstar Developed Markets Dividend Leaders UCITS ETF, NL0011683594

Name change

On 1 November 2019 the name of the Company and Sub-funds were changed. Below the change per Sub-funds is disclosed:

ISIN Code	New ETF Name	ETF Name till 1 November 2019
NL0009272749	VanEck Vectors™ AEX UCITS ETF	Think AEX UCITS ETF
NL0009272756	VanEck Vectors™ AMX UCITS ETF	Think AMX UCITS ETF
NL0010731816	VanEck Vectors™ European Equal Weight UCITS ETF	Think European Equity UCITS ETF
NL0009690221	VanEck Vectors™ Global Equal Weight UCITS ETF	Think Global Equity UCITS ETF
NL0009690239	VanEck Vectors™ Global Real Estate UCITS ETF	Think Global Real Estate UCITS ETF
NL0010273801	VanEck Vectors™ iBoxx EUR Sovereign Capped AAA-AA 1-5 UCITS ETF	Think iBoxx AAA-AA Government Bond UCITS ETF
NL0009690247	VanEck Vectors™ iBoxx EUR Corporates UCITS ETF	Think iBoxx Corporate Bond UCITS ETF
NL0009690254	VanEck Vectors™ iBoxx EUR Sovereign Diversified 1-10 UCITS ETF	Think iBoxx Government Bond UCITS ETF
NL0011683594	VanEck Vectors™ Morningstar Developed Markets Dividend Leaders UCITS ETF	Think Morningstar High Dividend UCITS ETF
NL0011376074	VanEck Vectors™ Morningstar North America Equal Weight UCITS ETF	Think Morningstar North America Equity UCITS ETF
NL0010408704	VanEck Vectors™ Sustainable World Equal Weight UCITS ETF	Think Sustainable World UCITS ETF
NL0009272764	VanEck Vectors™ Multi-Asset Conservative Allocation UCITS ETF	Think Total Market UCITS ETF Defensief
NL0009272772	VanEck Vectors™ Multi-Asset Balanced Allocation UCITS ETF	Think Total Market UCITS ETF Neutraal
NL0009272780	VanEck Vectors™ Multi-Asset Growth Allocation UCITS ETF	Think Total Market UCITS ETF Offensief

Issue and purchase of ordinary shares

The Company is an open-ended investment company. This means that the Board of Directors will, on request, issue shares and/or sell purchased shares at the transaction price of a share as determined at the moment of issue or sale. The transaction price corresponds to the Net Intrinsic Value of the relevant share in a specific Sub-fund. The Board of Directors reserves the right to temporarily suspend the issue or purchase of shares. Suspension can take place, for instance, in cases in which the determination of the Net Intrinsic Value can also be suspended, as further explained in section VII (determination of Net Intrinsic Value) of the Prospectus. Shares in the Company can be bought and sold on Euronext Amsterdam or other exchanges where the Sub-funds are listed, whereby the Liquidity Provider ensures that there is both a bid and ask price at which the share can be traded.

UCITS

The Company is an Undertaking for Collective Investment in Transferable Securities (UCITS). The Manager has had a licence as referred to in section 2:65 Wft since 4 March 2011. In order to obtain a licence, restrictions aimed at investor protection are imposed for the investment policy of a UCITS. The most important restrictions entail, summarised here, that the aim of a UCITS is exclusively to invest in financial instruments or other liquid financial assets with application of the principle of risk diversification. On grounds of the so-called UCITS directive, the shares of a UCITS can be relatively easily offered for sale in another member state of the European Union or a state which is not a member of the European Union but which is party to the Agreement on the European Economic Area.

Investment policy

Unlike traditional investment institutions which have an active investment policy and whereby the investment institution actively seeks out investments within its investment policy, the Company in principle has a passive investment policy whereby the assets to be allocated to a Sub-fund are invested for the benefit of the Sub-fund with the aim of following the Index or Indices which serve as the benchmark for the Sub-fund as closely as possible. This keeps management costs low and ensures that the composition of the assets of every Sub-fund is transparent.

The assets of a Sub-fund can be invested in underlying securities from various indices or combinations of indices in different asset classes, always taking into account the index or indices specified in the relevant supplement of the Prospectus and the ratios in which the Sub-fund invests in these indices. The Company can invest the assets of a Sub-fund in derivative financial investment instruments such as options, futures and credit derivatives and currency risks can be hedged. This will always be

specified in the particular Supplement. The Company will buy financial investment instruments via regulated markets anywhere in the world. The Company is not authorised to contract loans as a debtor and/or lend out Underlying Securities.

Investment policy for Series A: VanEck Vectors™ AEX UCITS ETF

The aim of the VanEck Vectors™ AEX UCITS ETF is to follow the AEX index® (the 'AEX®') as closely as possible. The AEX® is the index made up of the 25 largest listed stocks on Euronext Amsterdam N.V. As such the AEX® reflects the performance of Dutch blue chips and is a good indicator of the Dutch market as a whole.

The weight taken up by a share in the AEX® is determined with reference to the market capitalisation: the greater a company's market capitalisation, the greater its weight in the AEX®. A maximum of 15% applies per listed stock. The market capitalisation is calculated by multiplying a share's price by the number of issued shares. For the sake of tradability, only the number of freely tradable shares, the so-called 'free float', is included in the calculation. Locked-in shares are left out of consideration. The AEX® is reweighted at least once a year.

The VanEck Vectors™ AEX UCITS ETF will likewise be reweighted annually in order to be brought back in line with the (annually) reweighted AEX®. Costs incurred in connection with the reweighting of VanEck Vectors™ AEX UCITS ETF are at the expense of this Sub-fund.

Investment policy for Series B: VanEck Vectors™ AMX UCITS ETF

The aim of the VanEck Vectors™ AMX UCITS ETF is to follow the AMX index® (the 'AMX®') as closely as possible. The AMX® is the index made up of the 25 largest listed stocks on Euronext Amsterdam N.V. after the listed stock traded on the AEX index®. As such the AMX® is a good indicator of the performance of medium-sized Dutch businesses.

The weight taken up by a share in the AMX® is determined with reference to the market capitalisation: the greater a company's market capitalisation, the greater its weight in the AMX®. A maximum of 15% applies per listed stock. The market capitalisation is calculated by multiplying a share's price by the number of issued shares. For the sake of tradability, only the number of freely tradable shares, the so-called 'free float', is included in the calculation. Locked-in shares are left out of consideration. The AMX® is reweighted at least once a year.

The VanEck Vectors™ AMX UCITS ETF will likewise be reweighted annually in order to be brought back in line with the (annually) reweighted AMX®. The costs incurred in connection with the reweighting of the VanEck Vectors™ AMX UCITS ETF are at the expense of this Sub-fund.

Investment policy for Series C: VanEck Vectors™ Multi-Asset Conservative Allocation UCITS ETF

The aim of the VanEck Vectors™ Multi-Asset Conservative Allocation UCITS ETF is to follow the Indices below as closely as possible, in the ratios indicated here:

- 35% Markit iBoxx EUR Liquid Sovereign Diversified 1-10 Index
- 35% Markit iBoxx EUR Liquid Corporates Index
- 25% Solactive Global Equity Index
- 5% GPR Global 100 Index

The allocation across the Indices is reweighted annually on the first Tuesday in September, so that the allocation is brought back in line with the original ratios. The costs incurred in connection with the reweighting of the VanEck Vectors™ Multi-Asset Conservative Allocation UCITS ETF are at the expense of this Sub-fund.

Investment policy for Series D: VanEck Vectors™ Multi-Asset Balanced Allocation UCITS ETF

The aim of the VanEck Vectors™ Multi-Asset Balanced Allocation UCITS ETF is to follow the Indices below as closely as possible, in the ratios indicated here:

- 25% Markit iBoxx EUR Liquid Sovereign Diversified 1-10 Index
- 25% Markit iBoxx EUR Liquid Corporates Index
- 40% Solactive Global Equity Index
- 10% GPR Global 100 Index

The allocation across the Indices is reweighted annually on the first Tuesday in September, so that the allocation is brought back in line with the original ratios. The costs incurred in connection with the reweighting of the VanEck Vectors™ Multi-Asset Balanced Allocation UCITS ETF are at the expense of this Sub-fund.

Investment policy for Series E: VanEck Vectors™ Multi-Asset Growth Allocation UCITS ETF

The aim of the VanEck Vectors™ Multi-Asset Growth Allocation UCITS ETF is to follow the Indices below as closely as possible, in the ratios indicated here:

- 15% Markit iBoxx EUR Liquid Sovereign Diversified 1-10 Index
- 15% Markit iBoxx EUR Liquid Corporates Index
- 60% Solactive Global Equity Index
- 10% GPR Global 100 Index

The allocation across the Indices is reweighted annually on the first Tuesday in September, so that the allocation is brought back in line with the original ratios. The costs incurred in connection with the reweighting of the VanEck Vectors™ Multi-Asset Growth Allocation UCITS ETF are at the expense of this Sub-fund.

Investment policy for Series F: VanEck Vectors™ Global Equal Weight UCITS ETF

The aim of the VanEck Vectors™ Global Equal Weight UCITS ETF is to follow the Solactive Global Equity Index as closely as possible.

The (general) criteria below apply to the (composition of the) Solactive Global Equity Index:

- first shares are selected with a primary stock-market listing in developed countries worldwide, as described in the 'Solactive Global Equity Index Guideline';
- exclusively ordinary and preferred shares and Depositary Receipts are eligible;
- Limited Partnerships and shares listed in Hong Kong that achieve more than 75% of their turnover outside the specified developed countries are excluded;
- exclusively shares with semi-annual average trading volume of EUR 25 million per day are eligible;
- only the most liquid listing for each company is eligible;
- the 250 largest shares are then selected based on free float market capitalisation;
- the Index is equally weighted on the reweighting date, after that the weighting can vary due to price fluctuations;
- the Index is reweighted annually on the third Tuesday of March so that the 250 shares are again equally weighted. Shares can also be added or removed. If this is not a Trading Day, the reweighting takes place on the next Trading Day; and
- for each geographic region, the weighting in the Index is capped at 40% at the moment of reweighting.

Investment policy for Series G: VanEck Vectors™ Global Real Estate UCITS ETF

The aim of the VanEck Vectors™ Global Real Estate UCITS ETF is to follow the GPR Global 100 Index as closely as possible.

The (general) criteria below apply to the (composition of the) GPR Global 100 Index:

- the index is based on 100 leading property companies in the world and represents 70-80% of the worldwide (investible) property market capitalisation;
- the index consists of 40 property shares from America, 30 property shares from Asia and 30 property shares from Europe, the Middle East and Africa;
- for every region, the shares are selected on the basis of liquidity measured over the past year;
- the index uses a weighting method based on freely tradable market capitalisation;
- the index is reweighted semi-annually on the third Friday of March and September. Shares can also be added or removed with the reweighting. If this is not a Trading Day, the reweighting takes place on the next Trading Day; and
- the weighting in the index is capped at 20% per share. If just one share exceeds this 20%, the maximum for this one share can be increased to 35%.

Investment policy for Series H: VanEck Vectors™ iBoxx EUR Corporates UCITS ETF

The aim of the VanEck Vectors™ iBoxx EUR Corporates UCITS ETF, Sub-fund H of VanEck Vectors™ ETFs N.V., is to follow the Markit iBoxx EUR Liquid Corporates Index as closely as possible.

The (general) criteria below apply to the (composition of the) Markit iBoxx EUR Liquid Corporates Index:

- the index consists of maximum 40 corporate bonds. These must be investment grade;
- zero coupon bonds, exotic bonds and callable bonds are excluded from selection for the index. These are plain vanilla bonds;
- the minimum remaining maturity is eighteen months;
- The minimum issue is 750 million euros;
- a maximum of one bond per company is selected;
- the reweighting takes place on the last day of February, May, August and November. The costs incurred in connection with the reweighting of the VanEck Vectors™ iBoxx EUR Corporates UCITS ETF are at the expense of this Sub-fund.
- the weighting is on the basis of the outstanding amount of the bonds.

Investment policy for Series I: VanEck Vectors™ iBoxx EUR Sovereign Diversified 1-10 UCITS ETF

The aim of the VanEck Vectors™ iBoxx EUR Sovereign Diversified 1-10 UCITS ETF is to follow the Markit iBoxx EUR Liquid Sovereign Diversified 1-10 Index as closely as possible.

The (general) criteria below apply to the (composition of the) Markit iBoxx EUR Liquid Sovereign Diversified 1-10 Index:

- the index consists of maximum 25 European government bonds with a maturity of 1 to 10 years, listed in euros;
- the bonds have a minimum issue of 2 billion;
- at the moment of selection and reweighting, the bonds have a minimum remaining maturity of 18 months;
- the weighting is on the basis of the outstanding amount of the bonds.
- the government bonds must pay a fixed coupon, 'plain vanilla bonds';
- the number of bonds per country is capped at 4;
- the weight per country in the Index is maximum 20%;
- the reweighting takes place on the last day of January, April, July and October. The costs incurred in connection with the reweighting of the VanEck Vectors™ iBoxx EUR Sovereign Diversified 1-10 UCITS ETF are at the expense of this Sub-fund.

Investment policy for Series J: VanEck Vectors™ iBoxx EUR Sovereign Capped AAA-AA 1-5 UCITS ETF

The aim of the VanEck Vectors™ iBoxx EUR Sovereign Capped AAA-AA 1-5 UCITS ETF is to follow the Markit iBoxx EUR Liquid Sovereigns Capped AAA-AA 1-5 Index as closely as possible.

The (general) criteria below apply to the (composition of the) Markit iBoxx EUR Liquid Sovereigns Capped AAA-AA 1-5 Index:

- the index consists of maximum 15 European government bonds with a maturity of 1.25 to 5.5 years, listed in euros;
- the bonds have a minimum issue of 2 billion;
- the bonds have a minimum rating of AA;
- at the moment of selection and reweighting, the bonds have a minimum remaining maturity of 18 months;
- the weighting is on the basis of the outstanding amount of the bonds.
- the government bonds must pay a fixed coupon, 'plain vanilla bonds';
- the number of bonds per country is capped at 3;
- the weight per country in the Index is maximum 30%;
- the reweighting takes place on the last day of February, May, August and November. The costs incurred in connection with the reweighting of the VanEck Vectors™ iBoxx EUR Sovereign Capped AAA-AA 1-5 UCITS ETF are at the expense of this Sub-fund.

Investment policy for Series K: VanEck Vectors™ Sustainable World Equal Weight UCITS ETF

The aim of the VanEck Vectors™ Sustainable World Equal Weight UCITS ETF is to follow the Solactive Sustainable World Equity Index as closely as possible.

The (general) criteria below apply to the (composition of the) Solactive Sustainable World Equity Index:

- first shares are selected with a primary stock-market listing in developed countries worldwide, as described in the 'Solactive Sustainable World Equity Index Guideline';
- exclusively ordinary and preferred shares and Depositary Receipts are eligible;
- Limited Partnerships and shares listed in Hong Kong that achieve more than 75% of their turnover outside the specified developed countries are excluded;
- exclusively shares with semi-annual average trading volume of EUR 25 million per day are eligible;
- only the most liquid listing for each company is eligible;
- VigeoEIRIS tests the universe for a number of sustainability criteria, the shares that do not satisfy the criteria are removed from the universe;
- the 250 largest shares are then selected based on free float market capitalisation;
- the Index is equally weighted on the reweighting date, after that the weighting can vary due to price fluctuations;
- the Index is reweighted annually on the fourth Tuesday of March so that the 250 shares are again equally weighted. Shares can also be added or removed. If this is not a Trading Day, the reweighting takes place on the next Trading Day; and
- for each geographic region, the weighting in the Index is capped at 40% at the moment of reweighting.

Investment policy for Series L: VanEck Vectors™ European Equal Weight UCITS ETF

The aim of the VanEck Vectors™ European Equal Weight UCITS ETF is to follow the Solactive European Equity Index as closely as possible.

The (general) criteria below apply to the (composition of the) Solactive European Equity Index:

- first shares are selected with a primary stock-market listing in developed European countries, as described in the 'Solactive European Equity Index Guideline';
- exclusively ordinary and preferred shares and Depositary Receipts are eligible;
- Limited Partnerships are excluded;
- exclusively shares with semi-annual average trading volume of EUR 10 million per day are eligible;
- only the most liquid listing for each company is eligible;
- the 100 biggest shares are then selected based on free float market capitalisation;
- the index is equally weighted on the reweighting date, after that the weighting can vary due to price fluctuations;
- the index is reweighted annually on the third Tuesday of March so that the 100 shares are again equally weighted. Shares can also be added or removed. If this is not a Trading Day, the reweighting takes place on the next Trading Day; and
- for each country, the weighting in the index is capped at 20% at the moment of reweighting.

Investment policy for Series M: VanEck Vectors™ Morningstar North America Equal Weight UCITS ETF

The aim of the VanEck Vectors™ Morningstar North America Equal Weight UCITS ETF is to follow the Morningstar® North America Equal Weight 100 Index as closely as possible.

The (general) criteria below apply to the (composition of the) Morningstar North America Equal Weight 100 Index:

- the universe is determined based on the Morningstar® Developed Americas Index;
- the 100 largest shares are selected from this based on free float market capitalisation;
- the index is equally weighted on the reweighting date, after that the weighting can vary due to price fluctuations;
- the index is reweighted annually on the third Friday of June so that the 100 shares are again equally weighted. Shares can also be added or removed. If this is not a Trading Day, the reweighting takes place on the next Trading Day; and
- the 100 largest shares are determined on the last trading day in May.

Investment policy for Series N: VanEck Vectors™ Morningstar Developed Markets Dividend Leaders UCITS ETF

The aim of the VanEck Vectors™ Morningstar Developed Markets Dividend Leaders UCITS ETF is to follow the Morningstar® Developed Markets Large Cap Dividend Leaders Index as closely as possible.

The (general) criteria below apply to the (composition of the) Morningstar Developed Markets Large Cap Dividend Leaders Index:

- the universe is determined based on the Morningstar® Global Markets ex-US Index and Morningstar® US Market Index;
- companies are eligible for inclusion in the index if various criteria based on (historical) Dividend distributions are met;
- from these, the 100 shares with the highest dividend yield are selected;
- on the reweighting date, the index is weighted based on the total dividend made available. The available dividend is calculated by multiplying the freely tradable outstanding shares by the last annual dividend. After that the weighting can vary due to price fluctuations;
- the weighting in the index is capped at 40% per sector. In addition to this, the maximum weighting per share is 5%;
- the index is reweighted semi-annually on the third Friday of June and December. Shares can also be added or removed; and
- the 100 largest shares are determined on the basis of dividend yield on the last trading day in May and November.

Fiscal status

The Company is a public company with registered office in Amsterdam, incorporated under Dutch law. The Company opts for the status of fiscal investment institution (FII) as referred to in section 28 of the Corporation Tax Act 1969. An FII is subject to a 0% rate for the levy of corporation tax if certain conditions are satisfied.

Dividend tax

The Company will in principle have to withhold 15% dividend tax on dividends it pays out. This dividend tax is not at the Company's expense, but at the expense of the Company's shareholders. When paying the withheld dividend tax to the tax and customs administration, the Sub-fund may deduct an amount in connection with the Dutch and foreign source taxation withheld on dividends and interest income received by it ('deduction').

3. Performance summary

Series A: VanEck Vectors™ AEX UCITS ETF

(amounts x € 1)	2019	2018	2017	2016	2015
<i>Summary per share¹</i>					
Changes in the value of investments	12.58	(5.64)	6.19	4.58	1.30
Direct returns	2.13	1.85	1.78	1.68	1.31
Total operating income	14.71	(3.79)	7.97	6.26	2.61
Management costs and interest charges	(0.17)	(0.16)	(0.16)	(0.13)	(0.14)
Other expenses	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Total operating expenses	(0.17)	(0.16)	(0.16)	(0.13)	(0.14)
Fund assets	168,880,202	180,481,634	164,663,854	147,596,282	156,158,414
Number of outstanding shares	2,795,000	3,695,000	3,020,000	3,045,000	3,520,000
Dividend distribution	1.96	1.65	1.66	1.59	1.13
Intrinsic value per share	60.42	48.84	54.52	48.47	44.36
Yield	28.03%	(7.68%)	16.05%	13.24%	7.05%
Benchmark yield	28.52%	(7.36%)	16.52%	13.59%	7.36%

Series B: VanEck Vectors™ AMX UCITS ETF

(amounts x € 1)	2019	2018	2017	2016	2015
<i>Summary per share</i>					
Changes in the value of investments	29.24	(17.66)	14.48	(1.29)	5.02
Direct returns	2.13	2.56	1.97	1.62	1.54
Total operating income	31.37	(15.10)	16.45	0.32	6.56
Management costs and interest charges	(0.28)	(0.27)	(0.28)	(0.23)	(0.25)
Other expenses	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Total operating expenses	(0.28)	(0.27)	(0.28)	(0.23)	(0.25)
Fund assets	23,561,769	30,360,202	36,607,043	20,557,740	23,354,576
Number of outstanding shares	261,000	465,000	440,000	300,000	335,000
Dividend distribution	2.18	2.22	1.75	1.39	1.20
Intrinsic value per share	90.27	65.29	83.20	68.53	69.72
Yield	42.07%	(19.23%)	24.06%	0.45%	11.48%
Benchmark yield	42.61%	(18.96%)	24.71%	0.84%	11.98%

¹ The summary per share is calculated by dividing the result by average number of shares.

Series C: VanEck Vectors™ Multi-Asset Conservative Allocation UCITS ETF

(amounts x € 1)	2019	2018	2017	2016	2015
<i>Summary per share</i>					
Changes in the value of investments	4.79	(1.91)	(0.11)	1.53	0.96
Direct returns	1.08	1.19	1.37	1.20	1.75
Total operating income	5.87	(0.72)	1.25	2.73	2.71
Management costs and interest charges	(0.16)	(0.16)	(0.06)	(0.06)	(0.17)
Other expenses	(0.02)	(0.02)	(0.00)	(0.00)	(0.00)
Total operating expenses	(0.18)	(0.18)	(0.06)	(0.06)	(0.17)
Fund assets	13,186,573	8,233,435	8,331,737	6,676,370	2,180,893
Number of outstanding shares	223,000	153,000	150,000	120,000	40,000
Dividend distribution	0.84	0.82	1.27	1.25	1.75
Intrinsic value per share	59.13	53.81	55.54	55.64	54.52
Yield	11.48%	(1.65%)	2.13%	4.39%	5.59%
Benchmark yield	12.19%	(1.30%)	2.57%	4.74%	3.55%

Series D: VanEck Vectors™ Multi-Asset Balanced Allocation UCITS ETF

(amounts x € 1)	2019	2018	2017	2016	2015
<i>Summary per share</i>					
Changes in the value of investments	7.29	(2.88)	0.04	2.46	2.13
Direct returns	1.36	1.45	1.55	1.40	1.94
Total operating income	8.65	(1.43)	1.59	3.86	4.07
Management costs and interest charges	(0.19)	(0.18)	(0.06)	(0.06)	(0.17)
Other expenses	(0.01)	(0.02)	(0.00)	(0.00)	(0.00)
Total operating expenses	(0.20)	(0.20)	(0.06)	(0.00)	(0.17)
Fund assets	23,249,132	16,357,155	16,046,579	9,471,563	4,619,300
Number of outstanding shares	361,000	288,000	270,000	160,000	80,000
Dividend distribution	1.18	1.05	1.43	1.35	1.95
Intrinsic value per share	64.40	56.80	59.43	59.20	57.74
Yield	15.54%	(2.71%)	2.83%	4.94%	7.99%
Benchmark yield	16.29%	(2.34%)	3.30%	5.36%	6.06%

Series E: VanEck Vectors™ Multi-Asset Growth Allocation UCITS ETF

(amounts x € 1)	2019	2018	2017	2016	2015
<i>Summary per share</i>					
Changes in the value of investments	10.03	(4.19)	0.88	3.30	3.79
Direct returns	1.66	1.67	1.55	1.42	2.12
Total operating income	11.69	(2.52)	2.43	4.73	5.91
Management costs and interest charges	(0.21)	(0.20)	(0.06)	(0.06)	(0.18)
Other expenses	(0.02)	(0.02)	(0.00)	(0.00)	(0.00)
Total operating expenses	(0.23)	(0.22)	(0.06)	(0.06)	(0.18)
Fund assets	14,309,772	11,017,282	11,161,083	7,324,022	4,713,321
Number of outstanding shares	210,000	190,000	180,000	120,000	80,000
Dividend distribution	1.42	1.47	1.47	1.29	2.15
Intrinsic value per share	68.14	57.99	62.01	61.03	58.92
Yield	20.08%	(4.21%)	4.02%	5.91%	10.29%
Benchmark yield	20.77%	(3.70%)	4.54%	6.41%	8.24%

Series F: VanEck Vectors™ Global Equal Weight UCITS ETF

(amounts x € 1)	2019	2018	2017	2016	2015
<i>Summary per share</i>					
Changes in the value of investments	8.97	(3.68)	1.73	2.74	2.08
Direct returns	1.35	1.17	1.07	1.00	0.94
Total operating income	10.32	(2.52)	2.81	3.75	3.02
Management costs and interest charges	(0.07)	(0.07)	(0.07)	(0.07)	(0.07)
Other expenses	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Total operating expenses	(0.07)	(0.07)	(0.07)	(0.07)	(0.07)
Fund assets	1,001,210,520	789,253,895	629,269,566	522,405,425	375,790,127
Number of outstanding shares	21,911,190	21,481,190	15,806,190	13,750,000	10,450,000
Dividend distribution	1.24	1.06	0.93	0.88	0.81
Intrinsic value per share	45.67	36.74	39.81	37.99	35.96
Yield	27.96%	(5.22%)	7.28%	8.34%	11.09%
Benchmark yield	28.23%	(5.13%)	7.51%	8.80%	11.98%

Series G: VanEck Vectors™ Global Real Estate UCITS ETF

(amounts x € 1)	2019	2018	2017	2016	2015
<i>Summary per share</i>					
Changes in the value of investments	6.30	(1.60)	(2.64)	(1.53)	3.13
Direct returns	1.54	1.72	1.36	1.39	1.23
Total operating income	7.84	0.12	(1.28)	(0.15)	4.36
Management costs and interest charges	(0.10)	(0.09)	(0.10)	(0.10)	(0.10)
Other expenses	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Total operating expenses	(0.10)	(0.09)	(0.10)	(0.10)	(0.10)
Fund assets	243,892,660	188,119,771	186,526,348	163,190,565	117,784,531
Number of outstanding shares	5,835,404	5,335,404	5,085,404	4,150,000	2,900,000
Dividend distribution	1.38	1.52	1.16	1.23	1.04
Intrinsic value per share	41.79	35.26	36.68	39.32	40.62
Yield	22.59%	0.22%	(3.80%)	(0.14%)	14.96%
Benchmark yield	22.96%	0.62%	(3.46%)	0.24%	15.16%

Series H: VanEck Vectors™ iBoxx EUR Corporates UCITS ETF

(amounts x € 1)	2019	2018	2017	2016	2015
<i>Summary per share</i>					
Changes in the value of investments	1.02	(0.38)	(0.10)	0.73	(0.30)
Direct returns	0.24	0.23	0.26	0.31	0.37
Total operating income	1.26	(0.15)	0.16	1.04	0.07
Management costs and interest charges	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)
Other expenses	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Total operating expenses	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)
Fund assets	37,022,977	70,400,448	42,819,698	98,131,914	175,615,374
Number of outstanding shares	1,978,390	3,978,390	2,363,390	5,340,000	9,755,000
Dividend distribution	0.20	0.22	0.48	0.34	0.33
Intrinsic value per share	18.71	17.70	18.12	18.38	18.00
Yield	6.90%	(1.11%)	1.22%	3.97%	(0.33%)
Benchmark yield	7.06%	(0.99%)	1.53%	4.13%	(0.39%)

Series I: VanEck Vectors™ iBoxx EUR Sovereign Diversified 1-10 UCITS ETF

(amounts x € 1)	2019	2018	2017	2016	2015
<i>Summary per share</i>					
Changes in the value of investments	0.67	0.57	(0.40)	0.47	0.46
Direct returns	0.13	0.14	0.21	0.26	0.32
Total operating income	0.80	0.71	(0.18)	0.73	0.79
Management costs and interest charges	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)
Other expenses	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Total operating expenses	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)
Fund assets	32,944,262	136,685,704	53,970,885	215,429,045	296,682,928
Number of outstanding shares	2,291,537	9,961,537	3,916,537	15,385,000	21,325,000
Dividend distribution	0.05	0.20	0.27	0.31	0.25
Intrinsic value per share	14.38	13.72	13.78	14.00	13.91
Yield	5.14%	1.04%	0.35%	2.87%	1.36%
Benchmark yield	5.24%	1.17%	0.52%	3.05%	1.40%

Series J: VanEck Vectors™ iBoxx EUR Sovereign Capped AAA-AA 1-5 UCITS ETF

(amounts x € 1)	2019	2018	2017	2016	2015
<i>Summary per share</i>					
Changes in the value of investments	(0.58)	(0.58)	(0.88)	(0.29)	(0.53)
Direct returns	0.56	0.62	0.68	0.69	0.73
Total operating income	(0.02)	0.04	(0.20)	0.40	0.20
Management costs and interest charges	(0.03)	(0.03)	(0.04)	(0.04)	(0.04)
Other expenses	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Total operating expenses	(0.03)	(0.03)	(0.04)	(0.04)	(0.04)
Fund assets	154,888,114	170,985,495	170,976,014	290,724,783	334,940,323
Number of outstanding shares	7,221,000	7,761,000	7,506,000	12,280,000	13,870,000
Dividend distribution	0.54	0.74	0.70	0.77	0.69
Intrinsic value per share	21.45	22.03	22.78	23.67	24.15
Yield	(0.20%)	(0.02%)	(0.84%)	1.19%	0.44%
Benchmark yield	(0.08%)	0.13%	(0.69%)	1.24%	0.67%

Series K: VanEck Vectors™ Sustainable World Equal Weight UCITS ETF

(amounts x € 1)	2019	2018	2017	2016	2015
<i>Summary per share</i>					
Changes in the value of investments	17.71	(9.64)	4.89	5.66	3.51
Direct returns	2.35	2.04	1.97	1.71	1.67
Total operating income	20.06	(7.59)	6.86	7.37	5.19
Management costs and interest charges	(0.26)	(0.25)	(0.24)	(0.21)	(0.22)
Other expenses	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Total operating expenses	(0.26)	(0.25)	(0.24)	(0.21)	(0.22)
Fund assets	329,858,566	128,461,020	120,522,238	120,881,550	90,359,978
Number of outstanding shares	3,570,000	1,725,000	1,500,000	1,600,000	1,275,000
Dividend distribution	2.15	1.83	1.68	1.40	1.33
Intrinsic value per share	92.36	74.47	80.35	75.55	70.87
Yield	27.16%	(5.20%)	8.64%	8.81%	10.00%
Benchmark yield	27.64%	(4.91%)	8.98%	9.43%	10.51%

Series L: VanEck Vectors™ European Equal Weight UCITS ETF

(amounts x € 1)	2019	2018	2017	2016	2015
<i>Summary per share</i>					
Changes in the value of investments	10.10	(7.46)	3.37	0.40	(1.68)
Direct returns	2.38	1.94	1.78	1.79	1.60
Total operating income	12.48	(5.52)	5.15	2.19	(0.08)
Management costs and interest charges	(0.11)	(0.12)	(0.11)	(0.10)	(0.11)
Other expenses	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Total operating expenses	(0.11)	(0.12)	(0.11)	(0.10)	(0.11)
Fund assets	43,302,944	43,655,882	44,625,021	38,462,052	38,849,650
Number of outstanding shares	730,000	885,000	790,000	730,000	745,000
Dividend distribution	2.19	1.82	1.35	1.65	1.32
Intrinsic value per share	59.17	49.33	56.49	52.69	52.15
Yield (%)	24.76%	(9.73%)	9.81%	4.56%	8.70%
Benchmark yield (%)	25.05%	(9.62%)	10.14%	4.90%	8.94%

Series M: VanEck Vectors™ Morningstar North America Equal Weight UCITS ETF

(amounts x € 1)	2019	2018	2017	2016	11 November through 31 December 2015
<i>Summary per share</i>					
Changes in the value of investments	8.04	(0.35)	0.86	2.69	(0.74)
Direct returns	0.71	0.64	0.59	0.56	0.07
Total operating income	8.75	0.29	1.45	3.24	(0.66)
Management costs and interest charges	(0.07)	(0.06)	(0.06)	(0.05)	(0.00)
Other expenses	(0.01)	(0.01)	(0.00)	(0.00)	(0.00)
Total operating expenses	(0.08)	(0.07)	(0.06)	(0.05)	(0.00)
Fund assets	6,276,624	4,870,414	4,926,790	3,383,412	2,439,424
Number of outstanding shares	175,255	175,255	175,255	125,000	100,000
Dividend distribution	0.65	0.54	0.55	0.53	-
Intrinsic value per share	35.81	27.79	28.11	27.07	24.39
Yield (%)	31.39%	0.69%	5.93%	13.32%	(2.64%)
Benchmark yield (%)	31.86%	0.97%	6.26%	13.80%	(2.64%)

Series N: VanEck Vectors™ Morningstar Developed Markets Dividend Leaders UCITS ETF

(amounts x € 1)	2019	2018	2017	20 May through 31 December 2016
<i>Summary per share</i>				
Changes in the value of investments	4.26	(3.20)	(0.26)	4.46
Direct returns	1.46	1.28	1.24	0.41
Total operating income	5.72	1.92	0.98	4.87
Management costs and interest charges	(0.11)	(0.11)	(0.11)	(0.06)
Other expenses	(0.00)	(0.00)	(0.00)	(0.01)
Total operating expenses	(0.11)	(0.11)	(0.11)	(0.07)
Fund assets	33,973,289	22,707,610	18,569,347	11,503,941
Number of outstanding shares	1,150,000	900,000	650,000	400,000
Dividend distribution	1.29	1.25	1.13	0.32
Intrinsic value per share	29.54	25.23	28.57	28.76
Yield (%)	22.48%	(7.53%)	3.31%	16.50%
Benchmark yield (%)	23.22%	(7.13%)	3.85%	17.20%

4. Report from the Board of Directors

Report 2019

2019 marked the tenth year of ThinkCapital ETF's N.V.'s which was renamed on November 1st 2019 to VanEck Vectors™ ETFs N.V. (the ETFs or Sub-funds) existence since the listing of the first ETFs on 14 December 2009.

The total fund assets under management increased in 2019 from EUR 1,800 million on 31 December 2018 to EUR 2,126 million on 31 December 2019, an increase of almost 20%. These developments occurred in differing degrees at the various ETFs. The equity ETFs in particular showed growth, but the assets in fixed income ETFs decreased. The assets under management totalled EUR 2,107 million at the beginning of April 2020.

Furthermore, the ETFs have been registered for distribution in several countries and listed at certain stock exchanges. Apart from our full ETF range that is listed at Euronext Amsterdam (primary listing) and Euronext Brussels, nine (9) out of fourteen (14) ETFs are also listed at the Deutsche Börse, London Stock Exchange, Borsa Italiana and the Swiss Stock Exchange.

Renaming to VanEck

On Friday 19 January 2018 the acquisition of Think ETF Asset Management B.V. by VanEck was made public. VanEck acquired all shares of BinckBank N.V. and Flow Traders B.V. and also large part of the shares held by the founders. The deal was closed on Friday 29 June 2018. Think ETF Asset Management B.V. has been renamed on November 1st 2019 to VanEck Asset Management B.V. In 2018 we only added the VanEck name to the Think brand, but on November 1st 2019 we've renamed the legal entities and the funds and converted everything to the VanEck brand. This process has been smooth and without issues.

Financial information

The Sub-funds have the objective of following their benchmark, in other words the selected index, as closely as possible. The degree to which they succeed at this is shown by the Tracking Difference and Tracking Error, which is why the emphasis is on these. The financial development of the Sub-funds represents the price developments in the indices followed; the manager has no influence on these price developments. For the financial details of the various Sub-funds, see the financial statements of the different Sub-funds.

The Tracking Difference (T.D.) is the difference in yield between the product and a particular benchmark. The benchmark is often an index. It could be a well-known stock market index, or a customised index. It is important in this context whether the benchmark is a price index or a gross total return index.

In addition to the Tracking Difference, the Tracking Error is relevant as well. The following definition applies for the Tracking Error (T.E.). Tracking Error = Annual volatility of the monthly tracking differences, $T.E. = \sqrt{\frac{\sum_i^n (p_i - b_i)^2}{n-1}}$ whereby p is the fund yield and b the index yield.

The key reasons behind the differences between the product yield and benchmark yield are, successively, the management fee, the cash drag, the dividend tax drag and pricing differences (for bond ETFs).

The term cash drag stands for the fact that the dividends and coupon payments received are held in the fund as cash and are not reinvested, therefore. The term dividend tax drag means that the claim for a refund of the withheld dividend tax only becomes visible after the fund pays dividend.

The Tracking Differences and Tracking Errors of the VanEck Vectors UCITS ETFs are set out below.

Series	Benchmark	Tracking Difference	Tracking Error
Series A – VanEck Vectors™ AEX UCITS ETF	AEX Total Return Index (gross)	(0.49%)	0.35%
Series B – VanEck Vectors™ AMX UCITS ETF	AMX Total Return Index (gross)	(0.54%)	0.33%
Series C – VanEck Vectors™ Multi-Asset Conservative Allocation UCITS ETF	Multi-Asset Conservative Allocation Index	(0.70%)	0.19%
Series D – VanEck Vectors™ Multi-Asset Balanced Allocation UCITS ETF	Multi-Asset Balanced Allocation Index	(0.75%)	0.22%
Series E – VanEck Vectors™ Multi-Asset Growth Allocation UCITS ETF	Multi-Asset Growth Allocation Index	(0.69%)	0.24%
Series F – VanEck Vectors™ Global Equal Weight UCITS ETF	Solactive Global Equity Index	(0.27%)	0.13%
Series G – VanEck Vectors™ Global Real Estate UCITS ETF	GPR Index Total Return (gross)	(0.37%)	0.25%
Series H – VanEck Vectors™ iBoxx EUR Corporates UCITS ETF	iBoxx Corp Index Total Return (gross)	(0.16%)	0.08%
Series I – VanEck Vectors™ iBoxx EUR Sovereign Diversified 1-10 UCITS ETF	iBoxx Sov. Index Total Return (gross)	(0.10%)	0.05%
Series J – VanEck Vectors™ iBoxx EUR Sovereign Capped AAA-AA 1-5 UCITS ETF	Markit iBoxx EUR Liquid Sovereign Capped AAA-AA 1-5 Index (gross)	(0.12%)	0.04%
Series K: VanEck Vectors™ Sustainable World Equal Weight UCITS ETF	Solactive Sustainable World Equity Index	(0.48%)	0.16%
Series L: VanEck Vectors™ European Equal Weight UCITS ETF	Solactive European Equity Index	(0.30%)	0.24%
Series M: VanEck Vectors™ Morningstar North America Equal Weight UCITS ETF	Morningstar North America 100 Equal Weight Index (gross)	(0.47%)	0.15%
Series N: VanEck Vectors™ Morningstar Developed Markets Dividend Leaders UCITS ETF	Morningstar Developed Markets Large Cap Dividend Leaders Index (gross)	(0.75%)	0.18%

Tracking Difference= yield VanEck Vectors UCITS ETF (including dividend) – yield gross total return benchmark (including dividend).

Tracking error= The standard deviation from the difference between the price development of the VanEck Vectors UCITS ETF and the relevant benchmark.

Dividend distributions during the periode

Dividend was paid out on virtually all ETFs in March, June, September and December. The Board of Directors intends to pay out dividend quarterly if dividend was received in the particular fund. This is related to the obligation to distribute profits. On grounds of the tax status as Fiscal Investment Institution, VanEck is required to pass on the direct profits to the shareholders.

Remuneration policy

The remuneration policy is in line with the manager's strategy and the objective and investment policy of VanEck. In 2019 the members of the Board of Directors and the other staff of the asset manager received a retention bonus and a variable remuneration next to the fixed remuneration. The retention bonus includes a share component and also a deferred component. Variable remuneration is also deferred. The retention bonus and the variable remuneration are paid out as follows:

- 40% directly
- 20% after 1 year
- 20% after 2 years
- Remaining 20% after 3 years

The remuneration for the 2019 financial year is as follows:

(amounts x € 1)	Number	Fixed	Variable	2019
Board of Directors	2	684,190	420,000	1,104,190
Non-identified staff (FTE)	9	714,099	468,457	1,182,556
Total	11	1,398,289	888,457	2,286,746

The amounts above are gross amounts. Retention bonus is included under the variable amounts.

Risk management

VanEck's objective is to have its ETFs follow an index as closely as possible, both as it goes up and as it goes down. This brings the investment risks of the ETFs entirely in line with the investment risks of the particular reference indices. The risk that prices can decrease is not hedged therefore. The ETFs are subject to operational risks, however. The way in which VanEck offsets these operational risks as much as possible is discussed in more detail below.

VanEck owns all the underlying securities for the benefit of the ETFs. Therefore, no use is made of synthetic replication. The underlying securities are held in custody by CACEIS Bank. VanEck consciously opts not to lend out these underlying securities; this prevents counterparty risk from arising. Under the Securities (Bank Giro Transactions) Act (Wge), the assets of the funds is legally separate from CACEIS Bank. Any bankruptcy on the part of CACEIS Bank would not affect the assets of the VanEck.

Most processes and procedures are outsourced. VanEck closely monitors these processes and procedures via an ISAE3402 report. We can identify the following operational risks:

Creation/redemption

The issuing of new shares and/or redemption of shares issued earlier. The shares are delivered on the basis of DVP, delivery versus payment, with the counterparty being an Authorised Participant (AP) or a broker. In the creation process, the ETFs are delivered and the basket of shares reflecting the percentages in the index or indices is received. The opposite takes place for a redemption. Both VanEck and the AP check that the composition is correct - it is in the interest of both parties that the composition be correct, after all.

Reweightings

As soon as an index is reweighted, VanEck takes the necessary action to reweight the ETFs as well. Either by reweighting the fund itself by means of an execution-only agreement with CACEIS Bank or another broker.

Dividend distribution by VanEck Vectors™ ETFs

Dividend distribution takes place on cash basis and is only made from the freely distributable reserves. It is also monitored whether adequate cash and cash equivalents remain to cover the costs that will be charged to the fund in the next period. This prevents a situation from arising in which the fund must sell assets to pay the costs.

Corporate actions

In the event of corporate actions in underlying securities, VanEck follows the index followed by the particular ETF.

Settlement risk

Virtually all settlement risks have been offset with the use of DVP. A risk that cannot be offset is the market (delta) risk of non-settlement of the underlying securities in the event a counterparty defaults. The principal is always guaranteed by the DVP settlement, however.

Statement concerning business operations

We have a description of the business operations that satisfies the requirements of the Financial Supervision Act (Wft) and the Decree on Conduct of Business Supervision of Financial Undertakings under the Wft (BGfo).

We assessed various aspects of the business operations during the past financial year. In our activities we did not discover anything on grounds of which we must conclude that the description of the set-up of the business operations as referred to in section 121 of the BGfo does not satisfy the requirements contained in the Financial Supervision Act and related regulations.

On these grounds, we declare as manager for VanEck that we have a description as referred to in section 121 BGfo which satisfies the requirements of the BGfo.

We ascertained nothing that indicated that it was not functioning effectively and in accordance with the description. We therefore declare with a reasonable degree of assurance that the business operations functioned effectively and in accordance with the description throughout the year under review.

Risks of financial instruments

Based on the Sub-funds' activities, the Sub-funds are exposed to a number of financial risks: price risk (consisting of market risk, currency risk and interest rate risk), credit risk and liquidity risk.

Price risk

VanEck's objective is to have its ETFs follow an index as closely as possible, both as it goes up and as it goes down. Consequently, every Sub-fund's risk profile is identical to the risk profile of the selected index. No hedging of risks takes place in principle, therefore. As a result, the ETFs are exposed to significant price risk.

Currency risk

The underlying investments of some of the Sub-funds are denominated in euros, which means those Sub-funds are not exposed to significant currency risk. The investments of the following Sub-funds - C VanEck Vectors Multi-Asset Conservative Allocation UCITS ETF, D VanEck Vectors Multi-Asset Balanced Allocation UCITS ETF, E VanEck Vectors Multi-Asset Growth Allocation UCITS ETF, F VanEck Vectors Global Equal Weight UCITS ETF, G VanEck Vectors Global Real Estate UCITS ETF, K VanEck Vectors Sustainable World Equal Weight UCITS ETF, L VanEck Vectors European Equal Weight UCITS ETF, M VanEck Vectors Morningstar North America Equal Weight UCITS ETF and N VanEck Vectors Morningstar Developed Markets Dividend Leaders UCITS ETF are indeed listed in foreign currency to some extent, which means these Sub-funds can be exposed to significant currency risk.

Interest rate risk

VanEck's objective is to have its ETFs follow an index as closely as possible, both as it goes up and as it goes down. Consequently, every Sub-fund's risk profile is identical to the risk profile of the selected index. No hedging of risks takes place in principle, therefore. The Sub-funds with monetary financial instruments with a fixed interest rate in the portfolio are consequently exposed to significant interest rate risk.

Credit risk

VanEck's objective is to have its ETFs follow an index as closely as possible, both as it goes up and as it goes down. Consequently, every Sub-fund's risk profile is identical to the risk profile of the selected index. No hedging of risks takes place in principle, therefore. The Sub-funds with monetary financial instruments in the portfolio are consequently exposed to significant credit risk.

Liquidity risk

Shares in the Sub-funds can be bought and sold on one or more regulated stock-exchanges, whereby the Liquidity Provider ensures that there is both a bid and ask price at which the share can be traded. Consequently the Sub-funds are exposed to very little, if any, liquidity risk.

Fund Governance

VanEck has taken note of the Principles of Fund Governance of DUFAS (Dutch Fund and Asset Management Association) and endorses the importance of Fund Governance. In this context, VanEck uses independent external parties for the administration, calculation of the intrinsic value, and the custody of securities; it uses a Liquidity Provider on account of the stock market listing.

The members of the Board of Directors hold positions in VanEck's ETFs and in the components of these ETFs. See chapter 6 for a detailed overview of these interests as of year-end 2019. The transactions by the members of the Board of Directors in VanEck's ETFs are reported to the Compliance Officer in accordance with the rules for Private Investing Transactions.

Voting policy

The Company has concluded a service provision agreement with Glass Lewis Europe Limited whereby Glass Lewis Europe Limited's voting recommendations can be used for exercising the voting rights attached to securities held by the relevant selected Sub-funds. Otherwise, the Company will not exercise voting rights on shares in other undertakings unless there are exceptional circumstances in which the Company's shareholders would be significantly disadvantaged. In that case, the Company's voting will be guided primarily by the interests of the Company's shareholders.

Efficient Portfolio Management

Efficient Portfolio Management is defined as the use of techniques and instruments in relation to securities and money market management, including securities borrowing and lending, the contracting of repurchase agreements (repos) and reverse repurchase agreements. The Sub-funds did not make any use of Efficient Portfolio Management during the year under review.

Outlook

It's always been difficult to provide a good outlook on the growth of our business because of the unpredictable nature of the markets and the way that can impact our business. In view of the developments regarding COVID-19 the expectations will be even more difficult to predict, and therefore we won't make a prediction for 2020. But we would like to state that our scope has always been beyond the next 12 months. As part of VanEck's global business we take a long term view on our business and despite the current uncertainty, we remain confident that our strategy for the coming 5 years will prove sound and our US headquarters shares our view in that regard. For the next 12 months we hope that our family, colleagues and clients will stay safe.

The COVID-19 epidemic is believed to have originated in Wuhan, Hubei, China. While containment efforts were made to slow the spread of the epidemic the outbreak has now spread globally and has led to the World Health Organisation declaring the COVID-19 outbreak a pandemic on 11 March 2020. Containment efforts are impacting global supply chains, general public confidence and all major stock markets have fallen significantly since year end. There has also been a large decline in energy prices, including oil, the decline in price of which has been further exacerbated by tensions among leading oil producing nations. The Board of Directors is aware that global financial markets have been monitoring and reacting to the outbreak. All markets have incurred increased volatility and uncertainty since the onset of the pandemic. The Board of Directors has also noted the operational risks that are posed to the Company and its service providers due to global and local movement restrictions that have been enacted by various governments. COVID-19 pandemic is an unprecedented event and the eventual impact on the global economy and markets will largely depend on the scale and duration of the outbreak.

The developments related to COVID-19 have not led to a material uncertainty about the continuity of our business. We can continue our activities with regard to the management of the investments for clients. It's always been difficult to provide a good outlook on the growth of our business because of the unpredictable nature of the markets and the way that can impact our business. In view of the developments regarding the pandemic the expectations will be even more difficult to predict, and therefore we won't make a prediction for 2020. But we would like to state that at this moment we see lower values of the investments but that liquidity in the financial markets has been stable. We have seen both creations and redemptions of reasonable size which could be traded in the market like before the pandemic. The asset under management of the funds and the N.V. has been stable and is now at 2.225 million Euro which is a good result considering the volatility which we have seen. The management fee which was paid to VanEck Asset Management was lower than expected in March because of the lower levels but in April we have seen higher levels again.

The fund has no employees but VanEck Asset Management has people working from home which works well considering the circumstances.

The Board of Directors will continue to monitor this situation.

22 April 2020,



The Board of Directors,

M. Rozemuller G. Koning

5. Financial Statements

5.1 Balance sheet as of 31 December (before appropriation of the result)

(amounts x € 1)		2019	2018
ASSETS			
<u>Investments</u>			
Shares		1,598,374,738	1,199,928,328
Bonds		246,682,374	393,256,538
Property shares		273,958,109	205,524,188
Investments	{1}	2,119,015,221	1,798,709,054
Cash and cash equivalents	{2}	7,038,041	3,176,738
Receivables	{3}	11,145,304	7,393,904
Total assets		2,137,198,566	1,809,279,696
Equity			
Issued capital		532,128	614,938
Share premium reserve		1,688,321,147	1,709,664,293
General reserve		36,942,909	177,241,602
Result		400,806,248	(85,885,858)
Total equity	{4}	2,126,602,432	1,801,634,975
LIABILITIES			
Bank overdrafts	{2}	-	2,100,855
Other payables	{7}	10,596,134	5,543,866
Total liabilities		10,596,134	7,644,721
Total equity and liabilities		2,137,198,566	1,809,279,696

The numbers next to the items refer to the notes to the balance sheet and profit and loss account. The notes form an integral part of the interim financial statements.

5.2 Statement of comprehensive income

(amounts x € 1)	2019	2018
Investment result		
Changes in the value of investments	344,627,758	(133,106,318)
Interest income	4,886,500	6,149,670
Interest expense	(62,995)	(65,366)
Dividend income	55,476,290	44,710,546
Foreign exchange differences	(42,613)	25,977
Total investment result	404,884,940	(82,285,491)
Management costs {8}	(4,047,953)	(3,554,147)
Transaction costs	(30,739)	(46,145)
Other costs	-	(75)
Total expenses	(4,078,692)	(3,600,367)
Total result	400,806,248	(85,885,858)

The numbers next to the items refer to the notes to the balance sheet and profit and loss account. The notes form an integral part of the interim financial statements.

5.3 Cash flow statement

(amounts x € 1)	2019	2018
Purchases of investments	(753,733,811)	(1,325,425,380)
Sales of investments	778,893,035	900,625,264
Interest received	5,205,297	6,309,714
Interest paid or accrued interest purchased	779,504	(468,914)
Dividends received	53,915,166	43,909,811
Management costs paid	(3,989,385)	(3,508,071)
Other payments	(41,186)	(44,140)
Cash flow from operating activities	81,028,620	(378,601,716)
Issue of shares	418,519,316	1,012,675,202
Purchase of shares	(438,714,884)	(586,963,822)
Dividend distribution	(54,828,281)	(47,982,343)
Net cash flow from financing activities	(75,023,849)	377,729,037
Foreign exchange differences	(42,613)	25,977
Net cash flow	5,962,158	(846,702)
Cash and cash equivalents at beginning of the period	1,075,883	1,922,585
Cash and cash equivalents at end of the period	7,038,041	1,075,883

5.4 Statement of changes in equity

(amounts x € 1)	2019	2018
Capital		
Opening balance	614,938	463,528
Issue of shares	97,430	413,160
Purchase of shares	(180,240)	(261,750)
Closing balance	532,128	614,938
Share premium		
Opening balance	1,709,664,293	1,282,883,185
Issue of shares	421,773,458	1,013,483,180
Purchase of shares	(443,116,604)	(586,702,072)
Closing balance	1,688,321,147	1,709,664,293
General reserve		
Opening balance	177,241,602	152,206,688
Unappropriated result from previous financial year	(85,885,858)	73,507,830
Dividend distribution	(54,412,835)	(48,472,916)
Closing balance	36,942,909	177,241,602
Opening balance total	1,801,634,975	1,509,061,231
Issue of shares	421,870,888	1,013,896,340
Purchase of shares	(443,296,844)	(586,963,822)
Dividend distribution	(54,412,835)	(48,472,916)
Result	400,806,248	(85,885,858)
Closing balance total	2,126,602,432	1,801,634,975
Numbers of shares		
Opening balance	56,993,776	41,852,776
Issue of shares	9,743,000	41,316,000
Purchase of shares	(18,024,000)	(26,175,000)
Closing balance	48,712,776	56,993,776

5.5 Notes

Accounting policies

General

VanEck was incorporated on 2 October 2009. The Company is an open-ended investment company with variable capital under Dutch law in the sense of article 2:76a of the Dutch Civil Code. This means that the Company will in principle issue, reissue or purchase shares on request on any trading day. The Manager was granted a licence as referred to in section 2:65 Wft on 12 October 2009. The most recent prospectus from VanEck dates from 1 November 2019. See chapter 2 for an overview of the Company's activities.

Compliance statement

The Company's financial statements have been prepared in accordance with IFRS (International Financial Reporting Standards), issued by the International Accounting Standards Board ('IASB') and accepted by the European Union and the requirements arising from the Financial Supervision Act or Book 2, Title 9 of the Dutch Civil Code, respectively. The Company's Financial statements have been prepared on the basis of the Going Concern Assumption.

New standards, amendments and interpretations to existing standards which are relevant to the Fund and have been implemented during the reporting period

IFRS 9 Financial Instruments introduces new amendments for the classification and measurement of financial instruments. The Fund has adopted the amendments to IFRS 9 for the first time in the current year. The amendments to IFRS 9 clarify that for the purpose of assessing whether a prepayment feature meets the 'solely payments of principal and interest' (SPPI) condition, the party exercising the option may pay or receive reasonable compensation for the prepayment irrespective of the reason for prepayment. In other words, financial assets with prepayment features with negative compensation do not automatically fail SPPI. As the Fund measures its financial assets at fair value through profit or loss, the adjustments to IFRS 9 has no impact on the Funds financial statements.

New standards, amendments and interpretations to existing standards which are relevant to the Fund and not yet effective

Amendments to IAS 1 and IAS 8 Definition of material - The amendments are intended to make the definition of material in IAS 1 easier to understand and are not intended to alter the underlying concept of materiality in IFRS Standards. The concept of 'obscuring' material information with immaterial information has been included as part of the new definition. The threshold for materiality influencing users has been changed from 'could influence' to 'could reasonably be expected to influence'.

The definition of material in IAS 8 has been replaced by a reference to the definition of material in IAS 1. In addition, the IASB amended other Standards and the Conceptual Framework that contain a definition of material or refer to the term 'material' to ensure consistency.

The amendments are applied prospectively for annual periods beginning on or after 1 January 2020, with earlier application permitted.

The Fund does not expect that the adoption of the amendments listed above will have a material impact on the financial statements of the Fund in future periods.

Use of assumptions and estimates

In preparing the financial statements, the Company must make assumptions and estimates that affect the items reported on the balance sheet and profit and loss account and the conditional receivables and liabilities as of the date of the annual report. The estimates and assumptions concerning current facts, events and, to a certain extent, future events and transactions have been made to the best knowledge of the management. The actual outcomes could ultimately deviate - possibly significantly - from these estimates.

Economic position

The accounting policies are aimed at setting out the Company's economic position. What is decisive for inclusion on the balance sheet is whether the Fund runs a (positive or negative) risk on its own assets or the assets made available. If a transaction results in all or virtually all future economic benefits and all or virtually all risks relating to an asset or liability being transferred to a third party, the asset or the liability is no longer reported in the balance sheet.

Valuation

At the moment of acquisition, assets and liabilities are valued at acquisition price including expenses, i.e. the fair value of the asset or liability. The investments and derivative financial instruments are subsequently valued at fair value. The fair value is based on market value unless stated otherwise. The valuation at market value is based on the value for which the particular investments are listed on a stock market.

The other items are valued based on amortised cost, unless stated otherwise.

Netting

A financial asset and financial liability are netted and included on the balance sheet as a net amount if there is a statutory or contractual authority to settle the asset and liability netted and simultaneously, at any point and unconditionally, and furthermore there is an intention to settle the items in this manner.

Functional and presentation currency

The presentation currency is the same as the functional currency, i.e. the euro. The shares of the Company and Sub-funds are listed in euros and the transactions of the Company and Sub-funds take place virtually entirely in euros.

Foreign currency

Assets and liabilities denominated in foreign currencies are converted to euros at the exchange rate on the balance sheet date. This valuation is part of the valuation at current cost. Exchange rate differences are recognised under the indirect investment income in the profit and loss account. Income and expenditure arising from transactions in foreign currencies are converted at the exchange rate on the balance sheet date.

Accounting policies for the balance sheet**Investments**

The financial investments are valued at fair value, unless stated otherwise. For the shares, bonds, structured products and other fixed income securities included under financial investments, the fair value is determined based on the current market prices or other market listings.

The investments are designated as 'At fair value with changes in value through profit and loss'. All investments are held for trading purposes.

Upon first recognition, investments are valued at acquisition price, i.e. fair value, whereby the transaction costs are charged directly to the profit and loss account.

The fair value of investments is based on listed prices or derived from cash flow models. For the investments in investment institutions included under financial investments, the fair value is determined based on the current market prices. If these are not available, the fair value is determined based on the most recent net intrinsic value available. Unrealised and realised changes in value are recognised directly in the profit and loss account under investment result.

The fair values of financial instruments are determined on three levels:

- Level 1: The fair values are based on listed prices on active markets. A financial instrument is considered listed on an active market if the listed price is available regularly and if these prices reflect the current and regularly occurring arm's-length market transactions;
- Level 2: For financial instruments for which no active market exists or for which listed prices are not available, valuation techniques are used. Valuation techniques include recent transactions on a real economic basis between well-informed and willing parties or reference to similar instruments for which market prices or valuation models are indeed available. The data used for the valuation techniques are observable market-related data that originate from reliable external sources. The valuation techniques used are assessed and approved internally. Tests are carried out to determine whether the valuation process has resulted in the correct fair value of the position and whether the valuations have been correctly expressed in the profit and loss account.
- Level 3: Based on valuation models using variables not related to observable market-related data.

Derivatives

Derivative financial instruments, including currency contracts, futures, forward contracts, currency and interest rate swaps, and other derivative financial instruments, are valued at fair value when the contract is entered into and designated as at fair value with changes in value through profit or loss.

The fair value of publicly traded derivatives is based on listed prices for assets held or liabilities to be issued and listed ask prices for assets to be acquired or liabilities held.

The fair value of derivatives not traded publicly depends on the type of instrument and is based on a discounted value model or an option pricing model. The Company recognises derivatives with a positive market value under assets and recognises derivatives with a negative market value under liabilities.

Changes in the fair value of derivatives held for trading purposes are recognised in the profit and loss account under the result from financial instruments.

Cash and cash equivalents

These are demand deposits in current account at banks.

Receivables

The receivables are tax receivables, current interest, receivables from entries not yet settled and other receivables. Receivables are valued at amortised cost less any provisions for bad debt deemed necessary, if applicable.

Equity

Shares in the Company, the Sub-funds, can be bought and sold on Euronext Amsterdam or other exchanges where the Sub-funds are listed, whereby the Liquidity Provider ensures that there is both a bid and ask price at which the share can be traded. This is a market party that publishes prices throughout the trading day at which it is willing to buy or sell the shares in the Sub-funds. Other investors and market parties can also create additional liquidity. The role of the Liquidity Provider is to ensure there is enough liquidity on the market for both buyers and sellers of the shares in the Sub-funds. In connection with this, the Liquidity Provider has concluded an agreement with Euronext N.V. which includes the obligation for the Liquidity Provider to provide a two-way market consisting of bid and ask prices, to guarantee minimum turnover in the trade in a particular Sub-fund (expressed as a certain number of shares or amount in cash), and furthermore to set the market within a maximum bandwidth or spread (usually expressed as a percentage). Because of this, there are no 'puttable instruments' involved and the issued shares of the Sub-funds are presented as equity.

Other payables

The other payables are management fees still payable.

Accounting policies for the statement of comprehensive income**Dividend income**

Dividends are recognised on the ex-dividend date, taking into account any dividend tax that cannot be claimed back.

Interest income and expense

Interest is recognised in the period to which it pertains.

Changes in the value of investments

This is the indirect investment income from realised and unrealised changes in value and exchange rate differences. This income is recognised in the period to which it pertains.

Costs

Costs are recognised in the period in which they incur. The management costs for the investors in Sub-funds can vary per Sub-fund and are expressed as a percentage of the Net Intrinsic Value of every individual Sub-fund. For the height of the management costs of the particular Sub-fund, see the relevant Supplement. The management costs include all costs relating to the management of a Sub-fund, such as the management fee, costs of the custodial bank and the payment office, the listing costs, auditor's fee, costs of the purchase and issue of shares, the costs of having the Sub-funds correspond to the relevant index and the administration costs; these are not charged separately by the Sub-fund, therefore. The management costs are deducted daily from the definitive Net Intrinsic Value of a share in a Sub-fund.

Accounting policies for the cash flow statement**Cash flow statement**

The cash flow statement is prepared in accordance with the direct method whereby the operating receipts and expenditure is presented as such. Receipts and expenditure on account of investments are included under the cash flow from investing activities. Receipts and expenditure in relation to subscriptions and redemptions by participants are recognised as cash flow from financing activities. The cash and cash equivalents in the cash flow statement include the demand deposits and debts at banks.

Notes to the balance sheet and statement of comprehensive income

1. Investments

Composition of investments according to characteristic of financial instrument

(amounts x € 1)	31 December 2019	31 December 2018
Serie A – VanEck Vectors™ AEX UCITS ETF	168,921,170	180,443,466
Serie B – VanEck Vectors™ AMX UCITS ETF	23,542,735	30,347,280
Serie C – VanEck Vectors™ Multi-Asset Conservative Allocation UCITS ETF	13,132,300	8,191,363
Serie D – VanEck Vectors™ Multi-Asset Balanced Allocation UCITS ETF	23,156,971	16,279,107
Serie E – VanEck Vectors™ Multi-Asset Growth Allocation UCITS ETF	14,264,558	10,975,215
Serie F – VanEck Vectors™ Global Equal Weight UCITS ETF	998,185,659	789,846,106
Serie G – VanEck Vectors™ Global Real Estate UCITS ETF	242,772,351	187,320,692
Serie H – VanEck Vectors™ iBoxx EUR Corporates UCITS ETF	36,758,630	69,890,366
Serie I – VanEck Vectors™ iBoxx EUR Sovereign Diversified 1-10 UCITS ETF	32,766,308	136,346,950
Serie J – VanEck Vectors™ iBoxx EUR Sovereign Capped AAA-AA 1-5 UCITS ETF	153,341,914	169,139,714
Serie K – VanEck Vectors™ Sustainable World Equal Weight UCITS ETF	329,073,817	128,565,893
Serie L – VanEck Vectors™ European Equal Weight UCITS ETF	43,018,688	43,861,762
Serie M – VanEck Vectors™ Morningstar North America Equal Weight UCITS ETF	6,266,585	4,860,778
Serie N – VanEck Vectors™ Morningstar Developed Markets Dividend Leaders UCITS ETF	33,813,535	22,640,362
Total	2,119,015,221	1,798,709,054

All investments are classified as financial instruments valued at fair value with changes in value through profit and loss.

All investments of the Sub-funds are 'financial instruments admitted to listing on a regulated market' and are therefore classified as Level 1 investments.

Summary of changes in investments

(amounts x € 1)	31 December 2019	31 December 2018
Opening balance	1,798,709,054	1,503,558,849
Purchases of investments	754,571,444	1,329,159,400
Sales of investments	(778,893,035)	(900,902,877)
Changes in value	344,627,758	(133,106,318)
Closing balance	2,119,015,221	1,798,709,054

2. Cash and cash equivalents

At 31 December 2019 there are no restrictions on the use of the cash and cash equivalents.

3. Receivables

(amounts x € 1)	31 December 2019	31 December 2018
Interest receivable	1	8
Dividend receivable	4,550,547	2,989,423
Accrued interest on bonds	2,019,535	2,899,610
Other receivables	4,575,221	1,504,863
Total	11,145,304	7,393,904

The other receivables relates to subscriptions.

4. Equity

The company's authorised capital amounts to three million euros (EUR 3,000,000) divided into ten (10) priority shares and two hundred ninety-nine million nine hundred ninety-nine thousand nine hundred ninety (299,999,990) ordinary shares, divided into twenty-six (26) series of ordinary shares designated with the letters A to Z, each with nominal value of one cent (EUR 0.01). The issued capital and share premium is fully paid up. EUR 45,000 was issued and paid up on the Z shares (the company's foundation capital) and repaid in 2018. The Fund is not subject to other externally imposed capital requirements. The issued and paid-up capital per Sub-fund is disclosed in the summaries of the individual Sub-funds A, B, C, D E, F, G, H, I, J, K, L, M and N.

Capitalisation

The authorised capital of the Company amounts to € 3,000,000 divided into 299,999,990 ordinary shares and 10 priority shares, all with nominal value of € 0.01. The ordinary shares are divided into 26 series of shares. A series of shares is designated as a Sub-fund. The Board of Directors reserves the right to, if desired, open up a new share series (not yet issued) in supplement to a Sub-fund already opened up.

Issue and purchase of ordinary shares

The Company is an open-ended investment company. This means that the Board of Directors will, on request, issue shares and/or sell purchased shares at the transaction price of a share as determined at the moment of issue or sale. The transaction price corresponds to the Net Intrinsic Value of the particular share in a specific Sub-fund increased or decreased by transaction costs. The Board of Directors reserves the right to temporarily suspend the issue or purchase of shares. Suspension can take place, for instance, in cases in which the determination of the Net Intrinsic Value can also be suspended. Shares in the Company can be bought and sold on Euronext Amsterdam or other exchanges where the Sub-funds are listed, whereby the Liquidity Provider ensures that under normal circumstances, there is both a bid and ask price at which the share can be traded for the majority of the trading day.

Priority shares

The Company has issued 1 priority share to the Manager. The Priority has, among other things, rights in relation to the appointment, suspension, dismissal and determination of the remuneration and other employment conditions of directors of the Company. The Priority determines the number of members of the Board of Directors. For the appointment of a new director, within one month after having been invited to do so by the Board of Directors, it nominates at least 2 candidates from which the meeting of shareholders can appoint one. This nomination is binding for the meeting of shareholders unless this meeting deprives the nomination of its binding character in a resolution adopted by a majority of at least two-thirds of the votes cast, which represent more than half of the issued capital. A resolution to amend the Articles of Association, to merge, split or dissolve the Company can, other than at the proposal of the Priority, only be taken by the general meeting with a majority of at least two-thirds of the votes cast representing more than half of the issued capital.

Dividend policy

Pursuant to its status as fiscal investment institution, the Company will, within eight months of the conclusion of the financial year, pay out to the shareholders as dividend the taxable profit available for distribution, less the distribution deficits from previous years to be set off. The dividend is determined individually per Sub-fund.

The height of the dividend varies per Sub-fund and is based on a combination of the dividend and the coupons paid out on the shares or bonds, respectively, which form the Underlying Securities of the particular Sub-fund. The dividend is paid out in cash. The Company in principle intends to pay out (interim) dividend four times per calendar year. The Dividend distributions are announced via the website www.vanecketsfs.nl.

5. Summary of changes in the net asset value

(amounts x € 1)	2019	2018
Opening balance	1,801,634,975	1,509,016,203
Issue of shares	421,870,888	1,013,896,340
Purchase of shares	(443,296,844)	(586,963,822)
Dividend distribution	(54,412,835)	(48,472,916)
Interest income	4,886,500	6,149,670
Interest expense	(62,995)	(65,366)
Dividend income	55,476,290	44,710,546
Changes in the value of investments	344,627,758	(133,106,318)
Management fee	(4,047,953)	(3,554,222)
Exchange rate differences	(42,613)	25,977
Other expenses	(30,739)	(46,145)
Closing balance	2,126,602,432	1,801,634,975

6. Risks with regard to the financial instruments

Price risk

In terms of price risk, a distinction can be made between:

- Currency risk, which is the risk that the value of a financial instrument will fluctuate as the result of changes in exchange rates;
- Market risk, which is the risk that the value of a financial instrument will fluctuate as the result of changes in market prices caused by factors that apply exclusively for the individual instrument or emitting party, or by factors that affect all instruments traded on the market;
- Interest rate risk, which is the risk that the value of a financial instrument will fluctuate as the result of changes in the market interest rate.

The notion of price risk encompasses not only the likelihood of losses, but also the likelihood of gains.

Currency risk

The company mainly holds euro investments and is consequently not exposed to a significant currency risk, with the exception of the VanEck Vectors™ Multi-Asset Conservative Allocation UCITS ETF, VanEck Vectors™ Multi-Asset Balanced Allocation UCITS ETF, VanEck Vectors™ Multi-Asset Growth Allocation UCITS ETF, VanEck Vectors™ Global Equal Weight UCITS ETF, VanEck Vectors™ Global Real Estate UCITS ETF, VanEck Vectors™ Sustainable World Equal Weight UCITS ETF, VanEck Vectors™ European Equal Weight UCITS ETF, VanEck Vectors™ Morningstar North America Equal Weight UCITS ETF and VanEck Vectors™ Morningstar Developed Markets Dividend Leaders UCITS ETF, which are indeed exposed to currency risk; the currency risk is not hedged.

Market risk

The risk as a result of changes in market prices is limited by diversifying the investments in the portfolio as much as possible by region and sector.

Portfolio distribution by sector

(amounts x € 1)		2019		2018	
Sector	Amount	% of the NAV	Amount	% of the NAV	
Financial	646,663,316	30.3	474,717,350	26.4	
Non-cyclical consumer goods	390,568,117	18.4	299,691,327	16.6	
Government	198,471,311	9.3	314,449,806	17.5	
Industry	188,936,574	8.9	151,985,829	8.4	
Cyclical consumer goods	174,845,138	8.2	135,965,041	7.5	
Communication	159,152,723	7.5	129,972,601	7.2	
Technology	167,353,264	7.9	104,741,366	5.8	
Other sectors	193,024,778	9.1	187,185,734	10.4	
Total	2,119,015,221	99.6	1,798,709,054	99.8	

A 5% increase in the relevant sector, starting on the balance sheet date and applicable for every sector, would result in a profit increase for the reporting period as shown in the table below. A 5% decrease in the sector would have an impact of the same magnitude in the opposite direction.

(amounts x € 1)		2019		2018	
Sector	Amount	% of the NAV	Amount	% of the NAV	
Financial	32,333,166	1.5	23,735,868	1.3	
Non-cyclical consumer goods	19,528,406	0.9	14,984,566	0.8	
Government	9,923,566	0.5	15,722,490	0.9	
Industry	9,446,829	0.4	7,599,291	0.4	
Cyclical consumer goods	8,742,257	0.4	6,798,252	0.4	
Communication	7,957,636	0.4	6,498,630	0.4	
Technology	8,367,663	0.4	5,237,068	0.3	

Interest rate risk

The Company invests in fixed-interest financial instruments and is consequently exposed to interest rate risk.

(amounts x € 1)	<= 1 year	<= 5 years	> 5 years	Not interest-bearing	Total 2019
Assets					
Investments	405,762	182,794,453	63,482,159	1,872,332,847	2,119,015,221
Cash and cash equivalents	7,038,041	-	-	-	7,038,041
Receivables	-	-	-	11,145,304	11,145,304
Total assets	7,443,803	182,794,453	63,482,159	1,883,478,151	2,137,198,566

(amounts x € 1)	<= 1 year	<= 5 years	> 5 years	Not interest-bearing	Total 2018
Assets					
Investments	755,403	206,295,766	186,205,369	1,405,452,516	1,798,709,054
Cash and cash equivalents	3,176,738	-	-	-	3,176,738
Receivables	-	-	-	7,393,904	7,393,904
Total assets	3,932,141	206,295,766	186,205,369	1,412,846,420	1,809,279,696

Cash flow risk

Cash flow risk is the risk that future cash flows associated with a monetary financial instrument will fluctuate in size. The company does not invest a significant part of the fund assets in monetary financial instruments with variable interest and is therefore not exposed to significant cash flow risk.

Credit risk

Credit risk is the risk that the contract party in a financial instrument will not satisfy its obligation, which means the company will have to recognise a financial loss. The amount that best represents the maximum credit risk is € 264,865,719 (2018: € 403,827,180). The Company invests in monetary financial instruments and is consequently exposed to significant credit risk.

The table below shows the concentrations of credit risk of the investments in bonds.

(amounts x € 1)	2019	2018
Credit rating	Amount	Amount
AAA	75,073,799	110,888,256
AA	112,349,629	157,952,502
A	31,511,252	59,549,015
BBB	27,712,377	63,815,738
BB	35,317	1,051,027
Total	246,682,374	393,256,538

Liquidity risk

Liquidity risk is the risk that the legal entity will be unable to secure the financial resources needed to satisfy obligations under the financial instruments. Liquidity risk can arise, for instance, if a financial asset cannot be sold at virtually fair value in the short term. Shares in the Sub-funds can be bought and sold on Euronext Amsterdam or other exchanges where the Sub-funds are listed, whereby the Liquidity Provider ensures that there is both a bid and ask price at which the share can be traded. The Fund's investments are likewise listed. Consequently the company is not exposed to significant liquidity risk.

7. Other payables

(amounts x € 1)	2019	2018
Management costs payable	380,048	321,480
Dividend tax payable	1,036,785	1,452,624
Securities transactions still to be settled	4,571,656	3,734,020
Other short-term debts	4,607,645	35,742
Total	10,596,134	5,543,866

The other short-term debts relates to redemptions.

8. Affiliated parties

A party is an affiliated party if one party can exercise control over the other party or exert significant influence on the other party's financial and operational policy.

VanEck Asset Management B.V. is the Company's director according to the articles of association and acts as Manager of the Company. The Company has no employees.

The management costs for the investors in Sub-funds can vary per Sub-fund and are expressed as a percentage of the net intrinsic value of every individual Sub-fund. The management costs include all costs relating to the management of a fund, such as the management fee, costs of the custodial bank and the payment office, the listing costs, auditor's fee, costs of the purchase and issue of shares, the costs of having the Sub-funds correspond to the relevant index and the administration costs. The management costs are deducted daily from the definitive Net Intrinsic Value of a share in a Sub-fund. The management costs for the period from 1 January 2019 to 31 december 2019 amount to € 4,047,953 (2018: € 3,554,222).

Management costs per fund	Prospectus	Realisation
Series A: VanEck Vectors™ AEX UCITS ETF	0.30%	0.30%
Series B: VanEck Vectors™ AMX UCITS ETF	0.35%	0.35%
Series C: VanEck Vectors™ Multi-Asset Conservative Allocation UCITS ETF	0.28%	0.28%
Series D: VanEck Vectors™ Multi-Asset Balanced Allocation UCITS ETF	0.30%	0.30%
Series E: VanEck Vectors™ Multi-Asset Growth Allocation UCITS ETF	0.32%	0.32%
Series F: VanEck Vectors™ Global Equal Weight UCITS ETF	0.16%	0.16%
Series G: VanEck Vectors™ Global Real Estate UCITS ETF	0.25%	0.25%
Series H: VanEck Vectors™ iBoxx EUR Corporates UCITS ETF	0.15%	0.15%
Series I: VanEck Vectors™ iBoxx EUR Sovereign Diversified 1-10 UCITS ETF	0.15%	0.15%
Series J: VanEck Vectors™ iBoxx EUR Sovereign Capped AAA-AA 1-5 UCITS ETF	0.15%	0.15%
Series K: VanEck Vectors™ Sustainable World Equal Weight UCITS ETF	0.30%	0.30%
Series L: VanEck Vectors™ European Equal Weight UCITS ETF	0.20%	0.20%
Series M: VanEck Vectors™ Morningstar North America Equal Weight UCITS ETF	0.20%	0.20%
Series N: VanEck Vectors™ Morningstar Developed Markets Dividend Leaders UCITS ETF	0.38%	0.38%

Ongoing charges figure (OCF)

The OCF shows the ratio of ongoing costs to average intrinsic value. The ongoing charges encompass all costs charged to the fund assets during the reporting period, with the exception of the spread applied for entering and exiting participants, any performance fees and transaction costs of investments and interest charges on bank accounts.

The average intrinsic value is based on the intrinsic values on every day that the intrinsic value of the Sub-fund is determined during the reporting period. The OCF per Sub-fund is disclosed in the notes to the financial statements for each Sub-fund.

Portfolio turnover ratio (PTR)

The PTR for the assets per Sub-fund is disclosed in the notes to the financial statements for each Sub-fund.

Auditor's fee

The manager charges an overall cost allowance. The manager pays the auditor's fee from the cost allowance. The auditor's fee charged to the manager for 2019 as a whole amounts to € 65,890 excluding VAT (2018 as a whole: € 58,880) for the audit of the financial statements and € 4,000 excluding VAT for the assurance procedures for the supervisory authority ensuring that the UCITS provisions from the Market Conduct Supervision (Financial Institutions) Decree are satisfied. The auditor's fee cannot be further quantified on the level of each Sub-fund and is therefore not disclosed in further detail in the financial statements for the Sub-funds.

Other notes

Dividend distributions in the period

The Board of Directors intends to pay out dividend quarterly. The following dividend distributions took place during the reporting period.

	Date	Dividend per share
Series A: VanEck Vectors™ AEX UCITS ETF	20 March 2019	0.25
	19 June 2019	1.06
	18 September 2019	0.46
	18 December 2019	0.19
Series B: VanEck Vectors™ AMX UCITS ETF	20 March 2019	-
	19 June 2019	1.60
	18 September 2019	0.18
	18 December 2019	0.40
Series C: VanEck Vectors™ Multi-Asset Conservative Allocation UCITS ETF	20 March 2019	0.15
	19 June 2019	0.33
	18 September 2019	0.16
	18 December 2019	0.20
Series D: VanEck Vectors™ Multi-Asset Balanced Allocation UCITS ETF	20 March 2019	0.20
	19 June 2019	0.42
	18 September 2019	0.35
	18 December 2019	0.21
Series E: VanEck Vectors™ Multi-Asset Growth Allocation UCITS ETF	20 March 2019	0.22
	19 June 2019	0.52
	18 September 2019	0.38
	18 December 2019	0.30
Series F: VanEck Vectors™ Global Equal Weight UCITS ETF	20 March 2019	0.15
	19 June 2019	0.58
	18 September 2019	0.27
	18 December 2019	0.24

	Date	Dividend per share
Series G: VanEck Vectors™ Global Real Estate UCITS ETF	20 March 2019	0.40
	19 June 2019	0.36
	18 September 2019	0.36
	18 December 2019	0.26
Series H: VanEck Vectors™ iBoxx EUR Corporates UCITS ETF	20 March 2019	0.09
	19 June 2019	0.06
	18 September 2019	0.05
	18 December 2019	-
Series I: VanEck Vectors™ iBoxx EUR Sovereign Diversified 1-10 UCITS ETF	20 March 2019	-
	19 June 2019	0.05
	18 September 2019	-
	18 December 2019	-
Series J: VanEck Vectors™ iBoxx EUR Sovereign Capped AAA-AA 1-5 UCITS ETF	20 March 2019	0.05
	19 June 2019	0.11
	18 September 2019	0.17
	18 December 2019	0.21
Series K: VanEck Vectors™ Sustainable World Equal Weight UCITS ETF	20 March 2019	0.25
	19 June 2019	1.10
	18 September 2019	0.37
	18 December 2019	0.43
Series L: VanEck Vectors™ European Equal Weight UCITS ETF	20 March 2019	0.28
	19 June 2019	1.35
	18 September 2019	0.41
	18 December 2019	0.15
Series M: VanEck Vectors™ Morningstar North America Equal Weight UCITS ETF	20 March 2019	0.14
	19 June 2019	0.15
	18 September 2019	0.20
	18 December 2019	0.16
Series N: VanEck Vectors™ Morningstar Developed Markets Dividend Leaders UCITS ETF	20 March 2019	0.18
	19 June 2019	0.65
	18 September 2019	0.22
	18 December 2019	0.24

Dividend distribution after the balance sheet date

The dividend distributions for the 2019 financial year took place in 2019; as such, the distribution requirement was satisfied. No final dividend will be paid out.

Personnel

The company did not employ any personnel during the reporting period.

Fiscal status

The Company is a public company with registered office in Amsterdam, incorporated under Dutch law. The Company opts for the status of fiscal investment institution (FII) as referred to in section 28 of the Corporation Tax Act 1969. An FII is subject to a 0% rate for the levy of corporation tax if certain conditions are satisfied.

Securities borrowing and lending

The Sub-funds do not lend out any securities.

Return commissions and soft commissions

There were no return commissions or soft commissions during the reporting period.

Outsourcing of tasks

VanEck outsources many of its tasks to third parties. This allows the organisation to remain small. VanEck is still always responsible for the performance of these tasks.

The outsourced tasks and responsibilities are set out below:

Process	Outsourced to
Investment accounting	CACEIS Bank
Financial administration umbrella structure	CACEIS Bank
Calculation and submission of NAV and iNAV	Indexproviders Euronext, Markit en Solactive
Preparation and sending of compo file	Markit en Solactive op basis van informatie van CACEIS Bank
Preparation and sending of DRA reports to DNB	CACEIS Bank

Events after the balance sheet date

The COVID-19 epidemic is believed to have originated in Wuhan, Hubei, China. While containment efforts were made to slow the spread of the epidemic the outbreak has now spread globally and has led to the World Health Organisation declaring the COVID-19 outbreak a pandemic on 11 March 2020. Containment efforts are impacting global supply chains, general public confidence and all major stock markets have fallen significantly since year end. There has also been a large decline in energy prices, including oil, the decline in price of which has been further exacerbated by tensions among leading oil producing nations. The Board of Directors is aware that global financial markets have been monitoring and reacting to the outbreak. All markets have incurred increased volatility and uncertainty since the onset of the pandemic. The Board of Directors has also noted the operational risks that are posed to the Company and its service providers due to global and local movement restrictions that have been enacted by various governments. COVID-19 pandemic is an unprecedented event and the eventual impact on the global economy and markets will largely depend on the scale and duration of the outbreak.

The developments related to COVID-19 have not led to a material uncertainty about the continuity of our business. We can continue our activities with regard to the management of the investments for clients. It's always been difficult to provide a good outlook on the growth of our business because of the unpredictable nature of the markets and the way that can impact our business. In view of the developments regarding the pandemic the expectations will be even more difficult to predict, and therefore we won't make a prediction for 2020. But we would like to state that at this moment we see lower values of the investments but that liquidity in the financial markets has been stable. We have seen both creations and redemptions of reasonable size which could be traded in the market like before the pandemic. The asset under management of the funds and the N.V. has been stable and is now at 2.225 million Euro which is a good result considering the volatility which we have seen. The management fee which was paid to VanEck Asset Management was lower than expected in March because of the lower levels but in April we have seen higher levels again.

The fund has no employees but VanEck Asset Management has people working from home which works well considering the circumstances.

The Board of Directors will continue to monitor this situation.

VanEck Vectors™ ETFs N.V.

Series A

VanEck Vectors™ AEX UCITS ETF

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5.6 Financial statements as of 31 December

5.6.1. Balance sheet (before result appropriation)

(amounts x € 1)		2019	2018
ASSETS			
<u>Investments</u>			
Shares		163,737,093	173,626,347
Property shares		5,184,077	6,817,119
Investments	{1}	168,921,170	180,443,466
Cash and cash equivalents	{2}	2,500	87,468
Receivables	{3}	-	1,221,138
Total assets		168,923,670	181,752,072
Equity			
Issued capital		27,950	36,950
Share premium reserve		99,779,113	150,747,370
General reserve		23,567,364	43,310,962
Result		45,505,775	(13,613,648)
Total equity	{4}	168,880,202	180,481,634
LIABILITIES			
Other payables	{5}	43,468	1,270,438
Total liabilities		43,468	1,270,438
Total equity and liabilities		168,923,670	181,752,072

The numbers next to the items refer to the notes to the balance sheet and statement of comprehensive income. The notes form an integral part of the financial statements.

5.6.2. Statement of comprehensive income

(amounts x € 1)	2019	2018
Investment result		
Changes in the value of investments	39,381,810	(19,407,763)
Interest income	2	117
Interest expense	(3,655)	(5,539)
Dividend income	6,654,125	6,361,670
Foreign exchange differences	2	1,174
Total investment result	46,032,284	(13,050,341)
Management costs {8}	(524,815)	(561,733)
Transaction costs	(1,694)	(1,574)
Total expenses	(526,509)	(563,307)
Total result	45,505,775	(13,613,648)

The numbers next to the items refer to the notes to the balance sheet and statement of comprehensive income. The notes form an integral part of the financial statements.

5.6.3. Cash flow statement

(amounts x € 1)	2019	2018
Purchases of investments	(39,999,197)	(90,401,557)
Sales of investments	89,679,904	56,427,950
Interest paid or accrued interest purchased	(3,653)	(5,340)
Dividends received	6,654,125	6,361,670
Management costs paid	(528,419)	(557,211)
Other payments	(1,661)	(2,261)
Cash flow from operating activities	55,801,099	(28,176,749)
Issue of shares	21,697,046	74,506,432
Purchase of shares	(71,453,165)	(40,475,392)
Dividend distribution	(6,129,950)	(5,820,750)
Net cash flow from financing activities	(55,886,069)	28,210,290
Foreign exchange differences	2	1,174
Net cash flow	(84,968)	34,715
Cash and cash equivalents at beginning of the period	87,468	52,753
Cash and cash equivalents at end of the period	2,500	87,468

The notes form an integral part of the financial statements.

5.6.4. Statement of changes in equity

(amounts x € 1)	2019	2018
Capital		
Opening balance	36,950	30,200
Issue of shares	3,750	14,000
Purchase of shares	(12,750)	(7,250)
Closing balance	27,950	36,950
Share premium		
Opening balance	150,747,370	115,501,942
Issue of shares	20,472,158	75,713,570
Purchase of shares	(71,440,415)	(40,468,142)
Closing balance	99,779,113	150,747,370
General reserve		
Opening balance	43,310,962	27,034,737
Unappropriated result from previous financial year	(13,613,648)	22,096,975
Dividend distribution	(6,129,950)	(5,820,750)
Closing balance	23,567,364	43,310,962
Opening balance total	180,481,634	164,663,854
Issue of shares	20,475,908	75,727,570
Purchase of shares	(71,453,165)	(40,475,392)
Dividend distribution	(6,129,950)	(5,820,750)
Result	45,505,775	(13,613,648)
Closing balance total	168,880,202	180,481,634
Numbers of shares		
Opening balance	3,695,000	3,020,000
Issue of shares	375,000	1,400,000
Purchase of shares	(1,275,000)	(725,000)
Closing balance	2,795,000	3,695,000

5.6.5. Notes**Accounting policies**

For the accounting policies used for the financial statements, refer to the Company's accounting policies as set out in chapter 5.5.

Notes to the balance sheet and statement of comprehensive income**1. Investments****Summary of changes in the investments according to characteristic of financial instrument**

(amounts x € 1)	Shares	Property shares	Total 2019
Opening balance	173,626,347	6,817,119	180,443,466
Purchases of investments	37,867,603	908,195	38,775,798
Sales of investments	(86,802,856)	(2,877,048)	(89,679,904)
Changes in value	39,045,999	335,811	39,381,810
Total	163,737,093	5,184,077	168,921,170

Summary of changes in the investments according to characteristic of financial instrument

(amounts x € 1)	Shares	Property shares	Total 2018
Opening balance	158,104,743	6,549,480	164,654,223
Purchases of investments	86,559,345	5,065,611	91,624,956
Sales of investments	(54,705,716)	(1,722,234)	(56,427,950)
Changes in value	(16,332,025)	(3,075,738)	(19,407,763)
Total	173,626,347	6,817,119	180,443,466

The table below provides an analysis of the financial instruments valued at fair value, per valuation method.

Composition of investments according to valuation technique

(amounts x € 1)	2019	2018
Level 1	168,921,170	180,443,466
Total	168,921,170	180,443,466

All the investments of the Sub-fund are listed and therefore classified as level 1 investments.

Composition of investments

(amounts x € 1)		2019	
	Currency	Market value	% of NAV
Shares			
ASML Holding NV	EUR	29,917,293	17.6
Royal Dutch Shell PLC	EUR	20,259,821	11.9
Unilever NV	EUR	20,037,795	11.9
RELX PLC	EUR	12,305,160	7.3
ING Groep NV	EUR	11,086,491	6.6
Koninklijke Philips NV	EUR	10,743,391	6.4
Prosus NV	EUR	7,202,205	4.3
Koninklijke Ahold Delhaize NV	EUR	7,034,095	4.2
Heineken NV	EUR	5,828,942	3.5
Akzo Nobel NV	EUR	5,502,120	3.3
Koninklijke DSM NV	EUR	5,333,402	3.2
Wolters Kluwer NV	EUR	4,847,501	2.9
Adyen NV	EUR	4,330,444	2.6
ArcelorMittal	EUR	2,769,275	1.6
NN Group NV	EUR	2,766,916	1.6
Koninklijke KPN NV	EUR	2,505,143	1.5
Galapagos NV	EUR	2,086,376	1.2
Aegon NV	EUR	1,817,323	1.1
ABN AMRO BANK NV	EUR	1,730,560	1.0
Randstad Holdings NV	EUR	1,462,857	0.9
ASR Nederland NV	EUR	1,253,702	0.7
IMCD Group NV	EUR	1,090,600	0.6
Aalberts Industries NV	EUR	1,002,331	0.6
Koninklijke Vopak NV	EUR	823,350	0.5
Total shares		163,737,093	97.0
Property shares			
Unibail-Rodamco-Westfield Ltd	EUR	5,184,077	3.0
Total property shares		5,184,077	3.0
Total investments		168,921,170	100.0

2. Cash and cash equivalents

At 31 December 2019 there are no restrictions on the use of the cash and cash equivalents.

3. Receivables

As of 31 December 2018 the other receivables consists of amounts still to be received from the issue of own shares. At 31 December 2019 there were no receivables open.

4. Summary of changes in the assets under management

(amounts x € 1)	2019	2018
Opening balance	180,481,634	164,663,854
Issue of shares	20,475,908	75,727,570
Purchase of shares	(71,453,165)	(40,475,392)
Dividend distribution	(6,129,950)	(5,820,750)
Interest income	2	117
Interest expense	(3,655)	(5,539)
Dividend income	6,654,125	6,361,670
Changes in the value of investments	39,381,810	(19,407,763)
Management fee	(524,815)	(561,733)
Exchange rate differences	2	1,174
Other expenses	(1,694)	(1,574)
Closing balance	168,880,202	180,481,634

5. Other payables

(amounts x € 1)	2019	2018
Management costs payable	43,003	46,607
Securities transactions still to be settled	-	1,223,399
Other short-term debts	465	432
Total	43,468	1,270,438

6. Affiliated parties

A party is an affiliated party if one party can exercise control over the other party or exert significant influence on the other party's financial and operational policy.

VanEck Asset Management B.V. is the Company's director according to the articles of association and acts as Manager of the Company.

The management costs include all costs relating to the management of a fund, such as the management fee, costs of the custodial bank and the payment office, the listing costs, auditor's fee, costs of the purchase and issue of shares, the costs of having the Sub-funds correspond to the relevant index and the administration costs. The management costs are deducted daily from the definitive Net Intrinsic Value of a share in a Sub-fund. The management costs for the period from 1 January 2019 to 31 December 2019 amount to € 524,815 (in 2018: € 561,733).

VanEck Vectors™ AEX UCITS ETF

7. Risks with regard to the financial instruments

Price risk

In terms of price risk, a distinction can be made between:

- Currency risk, which is the risk that the value of a financial instrument will fluctuate as the result of changes in exchange rates;
- Market risk, which is the risk that the value of a financial instrument will fluctuate as the result of changes in market prices caused by factors that apply exclusively for the individual instrument or emitting party, or by factors that affect all instruments traded on the market;
- Interest rate risk, which is the risk that the value of a financial instrument will fluctuate as the result of changes in the market interest rate.

The notion of price risk encompasses not only the likelihood of losses, but also the likelihood of gains.

Currency risk

The Sub-fund only has euro investments and is consequently not exposed to significant currency risk.

Market risk

The risk as a result of changes in market prices is limited by diversifying the investments in the portfolio as much as possible by region and sector.

Portfolio distribution by sector

(amounts x € 1)		2019		2018	
Sector	Amount	% of the NAV	Amount	% of the NAV	
Non-cyclical consumer goods	59,498,615	35.2	58,854,363	32.5	
Technology	34,247,736	20.3	22,964,682	12.7	
Financial	31,041,275	18.4	31,682,292	17.6	
Energy	21,083,171	12.5	29,173,327	16.2	
Basic materials	14,695,397	8.7	15,257,591	8.5	
Other sectors	8,354,976	4.9	22,511,211	12.5	
Total	168,921,170	100.0	180,443,466	100.0	

A 5% increase in the relevant sector, starting on the balance sheet date and applicable for every sector, would result in a profit increase for the reporting period as shown in the table below.

(amounts x € 1)		2019		2018	
Sector	Amount	% of the NAV	Amount	% of the NAV	
Non-cyclical consumer goods	2,974,931	1,8	2,942,718	1,6	
Technology	1,712,387	1,0	1,148,234	0,6	
Financial	1,552,064	0,9	1,584,115	0,9	
Energy	1,054,159	0,6	1,458,666	0,8	
Basic Materials	734,770	0,4	762,880	0,4	

A 5% decrease in the sector would have an impact of the same magnitude in the opposite direction.

VanEck Vectors™ AEX UCITS ETF

Interest rate risk

The Sub-fund does not invest in fixed-interest financial instruments and is consequently not exposed to significant interest rate risk.

Cash flow risk

Cash flow risk is the risk that future cash flows associated with a monetary financial instrument will fluctuate in size. The Sub-fund does not invest a significant part of the fund assets in monetary financial instruments with variable interest and is therefore not exposed to significant cash flow risk.

Credit risk

Credit risk is the risk that the contract party in a financial instrument will not satisfy its obligation, which means the Sub-fund will have to recognise a financial loss. The amount that best represents the maximum credit risk is € 2,500 (2018: € 1,308,606).

The Sub-fund does not invest in monetary financial instruments and is consequently not exposed to significant credit risk.

Liquidity risk

Liquidity risk, also called funding risk, is the risk that the legal entity will be unable to secure the financial resources needed to satisfy obligations under the financial instruments. Liquidity risk can arise, for instance, if a financial asset cannot be sold at virtually fair value in the short term.

Shares in the Sub-funds can be bought and sold on Euronext Amsterdam, whereby the Liquidity Provider ensures that there is both a bid and ask price at which the share can be traded. The Sub-fund's investments are likewise listed. Consequently the Sub-fund is not exposed to significant liquidity risk.

8. Cost section**OCF (ongoing charges figure)**

The OCF is a measure of the ongoing costs charged to the Sub-fund during the reporting period. The following starting points are important for calculating the ongoing charges:

- The OCF shows the ratio of ongoing costs to average intrinsic value. The ongoing charges encompass all costs charged to the fund assets during the reporting period, with the exception of the spread applied for the entry and exit of shareholders, any performance fees and transaction costs of investments and interest charges on bank accounts. Performance fees must be presented separately, if applicable. No performance fee applies for the VanEck UCITS ETFs.
- The average intrinsic value is based on the intrinsic values on every day that the intrinsic value of the Sub-fund is determined during the reporting period.

(amounts x € 1.000)	2019	2018
Average intrinsic value	174,951,573	187,278,875
Total costs within the Sub-fund	524,815	561,733
OCF	0.30%	0.30%

Comparison of costs to prospectus over 2019 financial year

(amounts x € 1)	Amount	%	Prospectus
Total costs within the Sub-fund	524,815	0.30%	0.30%

The percentage is calculated with respect to the average assets as used for the OCF.

Portfolio Turnover ratio

The Portfolio Turnover ratio (PTR) gives an indication of the turnover rate of the Sub-fund's portfolio. This indicator gives an impression of the relative transaction costs involved in the differences in portfolio management.

The PTR is calculated as follows:

$$[(\text{Total 1} - \text{Total 2}) / X] * 100$$

Total 1: the total amount in securities transactions (securities purchases + securities sales)

Total 2: the total amount in transactions (issue + purchases) of participation rights in the investment institution

X: the average intrinsic value of the investment institution.

A PTR of 20.2% is calculated using this formula (2018: 17.0%). This means that in 2019, purchases and sales took place in the amount of 0.2 times the average intrinsic value of the Sub-fund. This amount has been corrected for the regular purchases and sales performed on account of subscriptions and redemptions.

VanEck Vectors™ ETFs N.V.

Series B

VanEck Vectors™ AMX UCITS ETF

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5.7 Financial statements as of 31 December

5.7.1. Balance sheet (before result appropriation)

(amounts x € 1)		2019	2018
ASSETS			
<u>Investments</u>			
Shares		21,200,878	26,802,567
Property shares		2,341,857	3,544,713
Investments	{1}	23,542,735	30,347,280
Cash and cash equivalents	{2}	8,579	5,489
Receivables	{3}	18,174	16,862
Total assets		23,569,488	30,369,631
Equity			
Issued capital		2,610	4,650
Share premium reserve		15,053,162	31,773,533
General reserve		(2,056,381)	5,666,693
Result		10,562,378	(7,084,674)
Total equity	{4}	23,561,769	30,360,202
LIABILITIES			
Other payables	{5}	7,719	9,429
Total liabilities		7,719	9,429
Total equity and liabilities		23,569,488	30,369,631

The numbers next to the items refer to the notes to the balance sheet and statement of comprehensive income. The notes form an integral part of the financial statements.

5.7.2. Statement of comprehensive income

(amounts x € 1)	2019	2018
Investment result		
Changes in the value of investments	9,933,238	(8,133,687)
Interest expense	(590)	(1,014)
Dividend income	724,942	1,177,064
Total investment result	10,657,590	(6,957,637)
Management costs {8}	(93,516)	(124,893)
Transaction costs	(1,696)	(2,144)
Total expenses	(95,212)	(127,037)
Total result	10,562,378	(7,084,674)

The numbers next to the items refer to the notes to the balance sheet and statement of comprehensive income. The notes form an integral part of the financial statements.

5.7.3. Cash flow statement

(amounts x € 1)	2019	2018
Purchases of investments	(10,354,142)	(19,007,830)
Sales of investments	27,091,925	17,133,687
Interest paid or accrued interest purchased	(590)	(1,014)
Dividends received	723,630	1,166,074
Management costs paid	(95,535)	(126,262)
Other payments	(1,387)	(2,757)
Cash flow from operating activities	17,363,901	(838,102)
Issue of shares	-	5,770,878
Purchase of shares	(16,722,411)	(3,881,245)
Dividend distribution	(638,400)	(1,051,800)
Net cash flow from financing activities	(17,360,811)	837,833
Net cash flow	3,090	(269)
Cash and cash equivalents at beginning of the period	5,489	5,758
Cash and cash equivalents at end of the period	8,579	5,489

The notes form an integral part of the financial statements.

5.7.4. Statement of changes in equity

(amounts x € 1)	2019	2018
Capital		
Opening balance	4,650	4,400
Issue of shares	-	750
Purchase of shares	(2,040)	(500)
Closing balance	2,610	4,650
Share premium		
Opening balance	31,773,533	29,884,150
Issue of shares	-	5,770,128
Purchase of shares	(16,720,371)	(3,880,745)
Closing balance	15,053,162	31,773,533
General reserve		
Opening balance	5,666,693	1,672,208
Unappropriated result from previous financial year	(7,084,674)	5,046,285
Dividend distribution	(638,400)	(1,051,800)
Closing balance	(2,056,381)	5,666,693
Opening balance total	30,360,202	36,607,043
Issue of shares	-	5,770,878
Purchase of shares	(16,722,411)	(3,881,245)
Dividend distribution	(638,400)	(1,051,800)
Result	10,562,378	(7,084,674)
Closing balance total	23,561,769	30,360,202
Numbers of shares		
Opening balance	465,000	440,000
Issue of shares	-	75,000
Purchase of shares	(204,000)	(50,000)
Closing balance	261,000	465,000

5.7.5. Notes**Accounting policies**

For the accounting policies used for the financial statements, refer to the Company's accounting policies as set out in chapter 5.5.

Notes to the balance sheet and statement of comprehensive income**1. Investments****Summary of changes in the investments according to characteristic of financial instrument**

(amounts x € 1)	Shares	Property shares	Total 2019
Opening balance	26,802,567	3,544,713	30,347,280
Purchases of investments	9,961,021	393,121	10,354,142
Sales of investments	(25,124,744)	(1,967,181)	(27,091,925)
Changes in value	9,562,034	371,204	9,933,238
Total	21,200,878	2,341,857	23,542,735

Summary of changes in the investments according to characteristic of financial instrument

(amounts x € 1)	Shares	Property shares	Total 2018
Opening balance	32,782,061	3,824,763	36,606,824
Purchases of investments	17,927,531	1,080,299	19,007,830
Sales of investments	(16,192,584)	(941,103)	(17,133,687)
Changes in value	(7,714,441)	(419,246)	(8,133,687)
Total	26,802,567	3,544,713	30,347,280

The table below provides an analysis of the financial instruments valued at fair value, per valuation method.

Composition of investments according to valuation technique

(amounts x € 1)	2019	2018
Level 1	23,542,735	30,347,280
Total	23,542,735	30,347,280

All the investments of the Sub-fund are listed and therefore classified as level 1 investments.

VanEck Vectors™ AMX UCITS ETF

Composition of investments

(amounts x € 1)	2019		
	Currency	Market value	% of NAV
Shares			
ASM International NV	EUR	2,635,848	11.2
Signify NV	EUR	1,834,581	7.8
Altice NV	EUR	1,560,260	6.6
Takeaway.com Holding BV	EUR	1,551,936	6.6
SBM Offshore NV	EUR	1,491,176	6.3
BE Semiconductor Industries NV	EUR	1,205,824	5.1
Air France-KLM	EUR	1,202,898	5.1
TKH Group NV	EUR	933,829	4.0
Boskalis Westminster NV	EUR	914,918	3.9
GrandVision BV	EUR	896,799	3.8
Corbion NV	EUR	813,708	3.5
OCI NV	EUR	812,531	3.4
Arcadis NV	EUR	760,839	3.2
Intertrust NV	EUR	758,870	3.2
APERAM SA	EUR	751,951	3.2
Fagron NV	EUR	609,746	2.6
Basic-Fit NV	EUR	523,287	2.2
PostNL NV	EUR	461,106	2.0
Fugro NV	EUR	390,489	1.7
Flow Traders NV	EUR	386,514	1.6
Koninklijke BAM Groep NV	EUR	360,692	1.5
AMG Advanced Metallurgical Group NV	EUR	343,076	1.5
Total shares		21,200,878	90.0
Property shares			
Warehouses De Pauw SCA	EUR	1,442,445	6.1
Eurocommercial Properties NV	EUR	545,300	2.3
Wereldhave NV	EUR	354,112	1.5
Total property shares		2,341,857	9.9
Total investments		23,542,735	99.9

2. Cash and cash equivalents

At 31 December 2019 there are no restrictions on the use of the cash and cash equivalents.

3. Receivables

(amounts x € 1)	2019	2018
Dividend receivable	18,174	16,862
Total	18,174	16,862

4. Summary of changes in the assets under management

(amounts x € 1)	2019	2018
Opening balance	30,360,202	36,607,043
Issue of shares	-	5,770,878
Purchase of shares	(16,722,411)	(3,881,245)
Dividend distribution	(638,400)	(1,051,800)
Interest expense	(590)	(1,014)
Dividend income	724,942	1,177,064
Changes in the value of investments	9,933,238	(8,133,687)
Management fee	(93,516)	(124,893)
Other expenses	(1,696)	(2,144)
Closing balance	23,561,769	30,360,202

5. Other payables

(amounts x € 1)	2019	2018
Management costs payable	7,003	9,022
Other short-term debts	716	407
Total	7,719	9,429

6. Affiliated parties

A party is an affiliated party if one party can exercise control over the other party or exert significant influence on the other party's financial and operational policy.

VanEck Asset Management B.V. is the Company's director according to the articles of association and acts as Manager of the Company.

The management costs include all costs relating to the management of a fund, such as the management fee, costs of the custodial bank and the payment office, the listing costs, auditor's fee, costs of the purchase and issue of shares, the costs of having the Sub-funds correspond to the relevant index and the administration costs. The management costs are deducted daily from the definitive Net Intrinsic Value of a share in a Sub-fund. The management costs for the period from 1 January 2019 to 31 December 2019 amount to € 93,516 (in 2018: € 124,893).

7. Risks with regard to the financial instruments**Price risk**

In terms of price risk, a distinction can be made between:

- Currency risk, which is the risk that the value of a financial instrument will fluctuate as the result of changes in exchange rates;
- Market risk, which is the risk that the value of a financial instrument will fluctuate as the result of changes in market prices caused by factors that apply exclusively for the individual instrument or emitting party, or by factors that affect all instruments traded on the market;
- Interest rate risk, which is the risk that the value of a financial instrument will fluctuate as the result of changes in the market interest rate.

The notion of price risk encompasses not only the likelihood of losses, but also the likelihood of gains.

VanEck Vectors™ AMX UCITS ETF

Currency risk

The Sub-fund only has euro investments and is consequently not exposed to significant currency risk.

Market risk

The risk as a result of changes in market prices is limited by diversifying the investments in the portfolio as much as possible by region and sector.

Portfolio distribution by sector

(amounts x € 1)		2019		2018	
Sector	Amount	% of the NAV	Amount	% of the NAV	
Industry	5,609,041	23.8	5,688,294	18.7	
Non-cyclical	4,631,059	19.7	5,276,639	17.4	
Technology	3,841,672	16.3	5,456,202	18.0	
Financial	2,728,370	11.6	4,398,093	14.5	
Energy	1,881,665	8.0	2,545,086	8.4	
Cyclical consumer goods	1,726,185	7.3	2,498,245	8.2	
Basic materials	1,564,483	6.6	4,484,721	14.8	
Communication	1,560,260	6.6	-	-	
Total	23,542,735	99.9	30,347,280	100.0	

A 5% increase in the relevant sector, starting on the balance sheet date and applicable for every sector, would result in a profit increase for the reporting period as shown in the table below.

(amounts x € 1)		2019		2018	
Sector	Amount	% of the NAV	Amount	% of the NAV	
Industry	280,452	1.2	284,415	0.9	
Non-cyclical consumer goods	231,553	1.0	263,832	0.9	
Technology	192,084	0.8	272,810	0.9	
Financial	136,419	0.6	219,905	0.7	
Energy	94,083	0.4	127,254	0.4	
Cyclical consumer goods	86,309	0.4	124,912	0.4	
Basic materials	78,224	0.3	224,236	0.7	
Communication	78,013	0.3	-	-	

A 5% decrease in the sector would have an impact of the same magnitude in the opposite direction.

Interest rate risk

The Sub-fund does not invest in fixed-interest financial instruments and is consequently not exposed to significant interest rate risk.

Cash flow risk

Cash flow risk is the risk that future cash flows associated with a monetary financial instrument will fluctuate in size. The Sub-fund does not invest a significant part of the fund assets in monetary financial instruments with variable interest and is therefore not exposed to significant cash flow risk.

VanEck Vectors™ AMX UCITS ETF

Credit risk

Credit risk is the risk that the contract party in a financial instrument will not satisfy its obligation, which means the Sub-fund will have to recognise a financial loss. The amount that best represents the maximum credit risk is € 26,753 (2018: € 22,351).

The Sub-fund does not invest in monetary financial instruments and is consequently not exposed to significant credit risk.

Liquidity risk

Liquidity risk, also called funding risk, is the risk that the legal entity will be unable to secure the financial resources needed to satisfy obligations under the financial instruments. Liquidity risk can arise, for instance, if a financial asset cannot be sold at virtually fair value in the short term.

Shares in the Sub-funds can be bought and sold on Euronext Amsterdam, whereby the Liquidity Provider ensures that there is both a bid and ask price at which the share can be traded. The Sub-fund's investments are likewise listed. Consequently the Sub-fund is not exposed to significant liquidity risk.

8. Cost section**OCF (ongoing charges figure)**

The OCF is a measure of the ongoing costs charged to the Sub-fund during the reporting period. The following starting points are important for calculating the ongoing charges:

- The OCF shows the ratio of ongoing costs to average intrinsic value. The ongoing charges encompass all costs charged to the fund assets during the reporting period, with the exception of the spread applied for the entry and exit of shareholders, any performance fees and transaction costs of investments and interest charges on bank accounts. Performance fees must be presented separately, if applicable. No performance fee applies for the VanEck UCITS ETFs.
- The average intrinsic value is based on the intrinsic values on every day that the intrinsic value of the Sub-fund is determined during the reporting period.

(amounts x € 1.000)	2019	2018
Average intrinsic value	23,561,769	35,735,387
Total costs within the Sub-fund	93,516	124,893
OCF	0.35%	0.35%

Comparison of costs to prospectus over 2019 financial year

(amounts x € 1)	Amount	%	Prospectus
Total costs within the Sub-fund	93,516	0.35%	0.35%

The percentage is calculated with respect to the average assets as used for the OCF.

VanEck Vectors™ AMX UCITS ETF

Portfolio Turnover ratio

The Portfolio Turnover ratio (PTR) gives an indication of the turnover rate of the Sub-fund's portfolio. This indicator gives an impression of the relative transaction costs involved in the differences in portfolio management.

The PTR is calculated as follows:

$$[(\text{Total 1} - \text{Total 2}) / X] * 100$$

Total 1: the total amount in securities transactions (securities purchases + securities sales)

Total 2: the total amount in transactions (issue + purchases) of participation rights in the investment institution

X: the average intrinsic value of the investment institution.

A PTR of 77.4% is calculated using this formula (2018: 74.1%). This means that in 2019, purchases and sales took place in the amount of 0.8 times the average intrinsic value of the Sub-fund. This amount has been corrected for the regular purchases and sales performed on account of subscriptions and redemptions.

VanEck Vectors™ ETFs N.V.

Series C

VanEck Vectors™ Multi-Asset Conservative Allocation UCITS ETF

Annual Report 2019

5.8 Financial statements as of 31 December

5.8.1. Balance sheet (before result appropriation)

(amounts x € 1)		2019	2018
ASSETS			
<u>Investments</u>			
Shares		3,570,526	1,895,089
Bonds		8,881,863	5,891,833
Property shares		679,911	404,441
Investments	{1}	13,132,300	8,191,363
Cash and cash equivalents	{2}	9,450	9,742
Receivables	{3}	53,988	41,206
Total assets		13,195,738	8,242,311
Equity			
Issued capital		2,230	1,530
Share premium reserve		12,384,377	8,302,546
General reserve		(229,261)	66,332
Result		1,029,227	(136,973)
Total equity	{4}	13,186,573	8,233,435
LIABILITIES			
Other payables	{5}	9,165	8,876
Total liabilities		9,165	8,876
Total equity and liabilities		13,195,738	8,242,311

The numbers next to the items refer to the notes to the balance sheet and statement of comprehensive income. The notes form an integral part of the financial statements.

5.8.2. Statement of comprehensive income

(amounts x € 1)	2019	2018
Investment result		
Changes in the value of investments	866,057	(290,920)
Interest income	95,643	95,180
Interest expense	(152)	(320)
Dividend income	99,773	85,877
Foreign exchange differences	349	242
Total investment result	1,061,670	(109,941)
Management costs {8}	(29,251)	(23,566)
Transaction costs	(3,192)	(3,466)
Total expenses	(32,443)	(27,032)
Total result	1,029,227	(136,973)

The numbers next to the items refer to the notes to the balance sheet and statement of comprehensive income. The notes form an integral part of the financial statements.

5.8.3. Cash flow statement

(amounts x € 1)	2019	2018
Purchases of investments	(5,785,986)	(3,509,972)
Sales of investments	1,711,106	3,314,417
Interest received	97,327	86,249
Interest paid or accrued interest purchased	(12,184)	17,514
Dividends received	97,339	83,065
Management costs paid	(28,082)	(22,415)
Other payments	(4,072)	(3,759)
Cash flow from operating activities	(3,924,552)	(34,901)
Issue of shares	4,082,531	164,131
Dividend distribution	(158,620)	(118,560)
Net cash flow from financing activities	3,923,911	45,571
Foreign exchange differences	349	242
Net cash flow	(292)	10,912
Cash and cash equivalents at beginning of the period	9,742	(1,170)
Cash and cash equivalents at end of the period	9,450	9,742

The notes form an integral part of the financial statements.

5.8.4. Statement of changes in equity

(amounts x € 1)	2019	2018
Capital		
Opening balance	1,530	1,500
Issue of shares	700	30
Closing balance	2,230	1,530
Share premium		
Opening balance	8,302,546	8,138,445
Issue of shares	4,081,831	164,101
Closing balance	12,384,377	8,302,546
General reserve		
Opening balance	66,332	28,663
Unappropriated result from previous financial year	(136,973)	163,129
Dividend distribution	(158,620)	(125,460)
Closing balance	(229,261)	66,332
Opening balance total	8,233,435	8,331,737
Issue of shares	4,082,531	164,131
Dividend distribution	(158,620)	(125,460)
Result	1,029,227	(136,973)
Closing balance total	13,186,573	8,233,435
Numbers of shares		
Opening balance	153,000	150,000
Issue of shares	70,000	3,000
Closing balance	223,000	153,000

5.8.5. Notes**Accounting policies**

For the accounting policies used for the financial statements, refer to the Company's accounting policies as set out in chapter 5.5.

Notes to the balance sheet and statement of comprehensive income**1. Investments****Summary of changes in the investments according to characteristic of financial instrument**

(amounts x € 1)	Shares	Bonds	Property shares	Total 2019
Opening balance	1,895,089	5,891,833	404,441	8,191,363
Purchases of investments	1,736,163	3,726,925	322,898	5,785,986
Sales of investments	(601,890)	(980,208)	(129,008)	(1,711,106)
Changes in value	541,164	243,313	81,580	866,057
Total	3,570,526	8,881,863	679,911	13,132,300

Summary of changes in the investments according to characteristic of financial instrument

(amounts x € 1)	Shares	Bonds	Property shares	Total 2018
Opening balance	2,063,609	5,798,765	424,354	8,286,728
Purchases of investments	548,383	2,919,243	42,346	3,509,972
Sales of investments	(525,002)	(2,741,511)	(47,904)	(3,314,417)
Changes in value	(191,901)	(84,664)	(14,355)	(290,920)
Total	1,895,089	5,891,833	404,441	8,191,363

The table below provides an analysis of the financial instruments valued at fair value, per valuation method.

Composition of investments according to valuation technique

(amounts x € 1)	2019	2018
Level 1	13,132,300	8,191,363
Total	13,132,300	8,191,363

All the investments of the Sub-fund are listed and therefore classified as level 1 investments.

VanEck Vectors™ Multi-Asset Conservative Allocation UCITS ETF

Composition of investments

(amounts x € 1)	2019		
	Currency	Market value	% of NAV
Shares			
Chubb Ltd	USD	37,441	0.3
NextEra Energy Inc	USD	36,459	0.3
ASML Holding NV	EUR	35,072	0.3
Daiichi Sankyo Co Ltd	JPY	29,626	0.2
QUALCOMM Inc	USD	28,689	0.2
Commonwealth Bank of Australia Ltd	AUD	28,370	0.2
Morgan Stanley Ltd	USD	28,099	0.2
Credit Suisse Group AG	CHF	28,018	0.2
Air Liquide SA	EUR	27,890	0.2
Deutsche Post AG	EUR	27,718	0.2
Other		3,263,144	24.8
Total shares		3,570,526	27.1
Bonds			
DEUTSCHE POST AG 1.625% 5/12/2028	EUR	334,583	2.5
LINDE FINANCE BV 1% 20/4/2028	EUR	287,106	2.2
NETHERLANDS GOVERNMENT 0.25% 15/7/2025	EUR	275,843	2.1
FRANCE (GOVT OF) 1% 25/5/2027	EUR	271,507	2.1
BUONI POLIENALI DEL TES 2% 1/12/2025	EUR	264,187	2.0
FRANCE (GOVT OF) 2.25% 25/5/2024	EUR	249,472	1.9
BUNDESREPUB. DEUTSCHLAND 0.25% 15/2/2027	EUR	241,120	1.8
NETHERLANDS GOVERNMENT 0.75% 15/7/2027	EUR	241,109	1.8
BONOS Y OBLIG DEL ESTADO 0.75% 30/7/2021	EUR	211,922	1.6
BELGIUM KINGDOM 1% 22/6/2026	EUR	211,007	1.6
Other		6,294,007	47.8
Total bonds		8,881,863	67.4
Property shares			
Simon Property Group Inc	USD	42,334	0.3
Prologis Inc	USD	29,144	0.2
Ventas Inc	USD	25,411	0.2
Vonovia SE	EUR	23,184	0.2
Public Storage Inc	USD	22,577	0.2
Sun Communities Inc	USD	22,465	0.2
Realty Income Corp	USD	19,875	0.2
Mitsui Fudosan Co Ltd	JPY	18,925	0.1
Essex Property Trust Inc	USD	17,422	0.1
Mitsubishi Estate Co Ltd	JPY	17,060	0.1
Other		441,514	3.3
Total property shares		679,911	5.1
Total investments		13,132,300	99.6

2. Cash and cash equivalents

At 31 December 2019 there are no restrictions on the use of the cash and cash equivalents.

3. Receivables

(amounts x € 1)	2019	2018
Dividend receivable	6,906	4,472
Accrued interest on bonds	47,077	36,730
Other receivables	5	4
Total	53,988	41,206

4. Summary of changes in the assets under management

(amounts x € 1)	2019	2018
Opening balance	8,233,435	8,331,737
Issue of shares	4,082,531	164,131
Dividend distribution	(158,620)	(125,460)
Interest income	95,643	95,180
Interest expense	(152)	(320)
Dividend income	99,773	85,877
Changes in the value of investments	866,057	(290,920)
Management fee	(29,251)	(23,566)
Exchange rate differences	349	242
Other expenses	(3,192)	(3,466)
Closing balance	13,186,573	8,233,435

5. Other payables

(amounts x € 1)	2019	2018
Management costs payable	3,143	1,974
Dividend tax payable	5,975	6,900
Other short-term debts	47	2
Total	9,165	8,876

6. Affiliated parties

A party is an affiliated party if one party can exercise control over the other party or exert significant influence on the other party's financial and operational policy.

VanEck Asset Management B.V. is the Company's director according to the articles of association and acts as Manager of the Company.

The management costs include all costs relating to the management of a fund, such as the management fee, costs of the custodial bank and the payment office, the listing costs, auditor's fee, costs of the purchase and issue of shares, the costs of having the Sub-funds correspond to the relevant index and the administration costs. The management costs are deducted daily from the definitive Net Intrinsic Value of a share in a Sub-fund. The management costs for the period from 1 January 2019 to 31 December 2019 amount to € 29,251 (in 2018: € 23,566).

7. Risks with regard to the financial instruments**Price risk**

In terms of price risk, a distinction can be made between:

- Currency risk, which is the risk that the value of a financial instrument will fluctuate as the result of changes in exchange rates;
- Market risk, which is the risk that the value of a financial instrument will fluctuate as the result of changes in market prices caused by factors that apply exclusively for the individual instrument or emitting party, or by factors that affect all instruments traded on the market;
- Interest rate risk, which is the risk that the value of a financial instrument will fluctuate as the result of changes in the market interest rate.

The notion of price risk encompasses not only the likelihood of losses, but also the likelihood of gains.

Currency risk

The fund has investments denominated in foreign currency and is therefore exposed to significant currency risk.

(amounts x € 1)		2019		2018	
Currency	Amount	% of the NAV	Amount	% of the NAV	
Euro	9,770,485	74.1	6,394,527	77.7	
US dollar	1,779,892	13.5	990,122	12.0	
Other currency	1,636,196	12.4	848,786	10.3	
Total	13,186,573	100.0	8,233,435	100.0	

A 5% increase in the relevant currency, starting on the balance sheet date and applicable for every currency, would result in a profit increase for the reporting period as shown in the table below.

(amounts x € 1)		2019		2018	
Currency	Amount	% of the NAV	Amount	% of the NAV	
US dollar	88,995	0.7	49,506	0.6	

A 5% decrease in a currency would have an impact of the same magnitude in the opposite direction.

VanEck Vectors™ Multi-Asset Conservative Allocation UCITS ETF

Market risk

The risk as a result of changes in market prices is limited by diversifying the investments in the portfolio as much as possible by region and sector.

Portfolio distribution by sector

(amounts x € 1)		2019		2018	
Sector	Amount	% of the NAV	Amount	% of the NAV	
Government	4,835,124	36.6	2,957,550	35.9	
Financial	2,724,554	20.7	2,099,635	25.5	
Non-cyclical consumer goods	1,326,744	10.1	760,223	9.2	
Industry	901,490	6.8	265,150	3.2	
Communication	855,002	6.5	679,528	8.3	
Cyclical consumer goods	802,926	6.1	499,973	6.1	
Other sectors	1,686,460	12.8	929,304	11.3	
Total	13,132,300	99.6	8,191,363	99.5	

A 5% increase in the relevant sector, starting on the balance sheet date and applicable for every sector, would result in a profit increase for the reporting period as shown in the table below.

(amounts x € 1)		2019		2018	
Sector	Amount	% of the NAV	Amount	% of the NAV	
Government	241,756	1.8	147,878	1.8	
Financial	136,228	1.0	104,982	1.3	
Non-cyclical consumer goods	66,337	0.5	38,011	0.5	
Industry	45,075	0.3	13,258	0.2	
Communication	42,750	0.3	33,976	0.4	
Cyclical consumer goods	40,146	0.3	24,999	0.3	

A 5% decrease in the sector would have an impact of the same magnitude in the opposite direction.

VanEck Vectors™ Multi-Asset Conservative Allocation UCITS ETF

Portfolio distribution by country

(amounts x € 1)		2019		2018	
Country	Amount	% of the NAV	Amount	% of the NAV	
United States	2,525,494	19.0	1,569,853	19.1	
Netherlands	1,631,179	12.4	1,066,998	13.0	
France	1,604,678	12.2	1,019,043	12.4	
Germany	1,530,881	11.6	672,607	8.2	
Italy	1,050,479	8.0	603,237	7.3	
Japan	933,368	7.1	461,666	5.6	
United Kingdom	893,004	6.4	610,245	7.4	
Spain	817,916	6.2	521,649	6.3	
Other countries	2,199,301	16.7	1,666,065	20.2	
Total	13,132,300	99.6	8,191,363	99.5	

A 5% increase due to specific political or economical circumstances in the relevant country, starting on the balance sheet date and applicable for every country, would result in a profit increase for the reporting period as shown in the table below.

(amounts x € 1)		2019		2018	
Country	Amount	% of the NAV	Amount	% of the NAV	
United States	122,539	0.9	78,493	1.0	
France	80,839	0.6	53,350	0.6	
Netherlands	78,536	0.6	50,952	0.6	
Germany	76,352	0.6	33,630	0.4	
Italy	52,524	0.4	30,162	0.4	
Japan	46,668	0.4	23,083	0.3	
United Kingdom	43,028	0.3	30,512	0.4	
Spain	40,896	0.3	26,082	0.3	

A 5% decrease in a country would have an impact of the same magnitude in the opposite direction.

VanEck Vectors™ Multi-Asset Conservative Allocation UCITS ETF

Interest rate risk

The Sub-fund invests in fixed-interest financial instruments and is consequently exposed to interest rate risk.

(amounts x € 1)	<= 1 year	<= 5 years	> 5 years	Not interest bearing	Total 2019
Assets					
Investments	73,503	3,132,236	5,676,124	4,250,437	13,132,300
Cash and cash equivalents	9,450	-	-	-	9,450
Receivables	-	-	-	53,988	53,988
Total assets	82,953	3,132,236	5,676,124	4,304,425	13,195,738
Liabilities					
Other payables	-	-	-	9,165	9,165
Equity					
Shares	-	-	-	13,186,573	13,186,573
Total equity and liabilities	-	-	-	13,195,738	13,195,738
Total	82,953	3,132,236	5,676,124	(8,891,313)	-

(amounts x € 1)	<= 1 year	<= 5 years	> 5 years	Not interest bearing	Total 2018
Assets					
Investments	277,772	2,068,070	3,545,992	2,299,529	8,191,363
Cash and cash equivalents	9,742	-	-	-	9,742
Receivables	-	-	-	41,206	41,206
Total assets	287,514	2,068,070	3,545,992	2,340,735	8,242,311
Liabilities					
Other payables	-	-	-	8,876	8,876
Equity					
Shares	-	-	-	8,233,435	8,233,435
Total equity and liabilities	-	-	-	8,242,311	8,242,311
Total	287,514	2,068,070	3,545,992	(5,901,576)	-

All other variables remaining the same, a 100-basis point decline in the interest rates effective as of the balance sheet date would result in a € 560,519 increase in the profit for the reporting period (2018: € 347,797). A 100-basis point rise in the interest rates effective as of the balance sheet date would result in a € 560,519 decrease in the profit for the reporting period.

Cash flow risk

Cash flow risk is the risk that future cash flows associated with a monetary financial instrument will fluctuate in size. The Sub-fund does not invest a significant part of the fund assets in monetary financial instruments with variable interest and is therefore not exposed to significant cash flow risk.

VanEck Vectors™ Multi-Asset Conservative Allocation UCITS ETF

Credit risk

Credit risk is the risk that the contract party in a financial instrument will not satisfy its obligation, which means the Sub-fund will have to recognise a financial loss. The amount that best represents the maximum credit risk is € 8,945,301 (2018: € 5,942,781).

The Sub-fund invests in monetary financial instruments and is consequently exposed to significant credit risk. The table below shows the concentrations of credit risk of the investments in bonds.

(amounts x € 1)		2019		2018	
Credit rating	Amount	% of the NAV	Amount	% of the NAV	
AAA	1,535,979	11.6	846,533	10.3	
AA	2,091,513	15.9	1,497,883	18.2	
A	2,151,564	16.3	1,574,889	19.1	
BBB	3,102,807	23.6	1,972,528	24.0	
Total	8,881,863	67.4	5,891,833	71.6	

Liquidity risk

Liquidity risk, also called funding risk, is the risk that the legal entity will be unable to secure the financial resources needed to satisfy obligations under the financial instruments. Liquidity risk can arise, for instance, if a financial asset cannot be sold at virtually fair value in the short term.

Shares in the Sub-funds can be bought and sold on Euronext Amsterdam, whereby the Liquidity Provider ensures that there is both a bid and ask price at which the share can be traded. The Sub-fund's investments are likewise listed. Consequently the Sub-fund is not exposed to significant liquidity risk.

8. Cost section**OCF (ongoing charges figure)**

The OCF is a measure of the ongoing costs charged to the Sub-fund during the reporting period. The following starting points are important for calculating the ongoing charges:

- The OCF shows the ratio of ongoing costs to average intrinsic value. The ongoing charges encompass all costs charged to the fund assets during the reporting period, with the exception of the spread applied for the entry and exit of shareholders, any performance fees and transaction costs of investments and interest charges on bank accounts. Performance fees must be presented separately, if applicable. No performance fee applies for the VanEck UCITS ETFs.
- The average intrinsic value is based on the intrinsic values on every day that the intrinsic value of the Sub-fund is determined during the reporting period.

(amounts x € 1.000)		2019	2018
Average intrinsic value		10,434,541	8,418,380
Total costs within the Sub-fund		29,251	23,566
OCF		0.28%	0.28%

Comparison of costs to prospectus over 2019 financial year

(amounts x € 1)	Amount	%	Prospectus
Total costs within the Sub-fund	29,251	0.28%	0.28%

The percentage is calculated with respect to the average assets as used for the OCF.

Portfolio Turnover ratio

The Portfolio Turnover ratio (PTR) gives an indication of the turnover rate of the Sub-fund's portfolio. This indicator gives an impression of the relative transaction costs involved in the differences in portfolio management.

The PTR is calculated as follows:

$$[(\text{Total 1} - \text{Total 2}) / X] * 100$$

Total 1: the total amount in securities transactions (securities purchases + securities sales)

Total 2: the total amount in transactions (issue + purchases) of participation rights in the investment institution

X: the average intrinsic value of the investment institution.

A PTR of 33.0% is calculated using this formula (2018: 79.8%). This means that in 2019, purchases and sales took place in the amount of 0.3 times the average intrinsic value of the Sub-fund. This amount has been corrected for the regular purchases and sales performed on account of subscriptions and redemptions.

VanEck Vectors™ ETFs N.V.

Series D

VanEck Vectors™ Multi-Asset Balanced Allocation UCITS ETF

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5.9 Financial statements as of 31 December

5.9.1. Balance sheet (before result appropriation)

(amounts x € 1)		2019	2018
ASSETS			
<u>Investments</u>			
Shares		9,788,781	6,087,381
Bonds		10,975,828	8,500,177
Property shares		2,392,362	1,691,549
Investments	{1}	23,156,971	16,279,107
Cash and cash equivalents	{2}	19,783	22,492
Receivables	{3}	88,753	70,556
Total assets		23,265,507	16,372,155
Equity			
Issued capital		3,610	2,880
Share premium reserve		20,982,043	16,447,060
General reserve		(477,055)	362,423
Result		2,740,534	(455,208)
Total equity	{4}	23,249,132	16,357,155
LIABILITIES			
Other payables	{5}	16,375	15,000
Total liabilities		16,375	15,000
Total equity and liabilities		23,265,507	16,372,155

The numbers next to the items refer to the notes to the balance sheet and statement of comprehensive income. The notes form an integral part of the financial statements.

5.9.2. Statement of comprehensive income

(amounts x € 1)	2019	2018
Investment result		
Changes in the value of investments	2,362,003	(806,732)
Interest income	124,110	119,569
Interest expense	(381)	(903)
Dividend income	317,939	286,449
Foreign exchange differences	442	123
Total investment result	2,804,113	(401,494)
Management costs {8}	(60,315)	(49,426)
Transaction costs	(3,264)	(4,288)
Total expenses	(63,579)	(53,714)
Total result	2,740,534	(455,208)

The numbers next to the items refer to the notes to the balance sheet and statement of comprehensive income. The notes form an integral part of the financial statements.

5.9.3. Cash flow statement

(amounts x € 1)	2019	2018
Purchases of investments	(7,671,049)	(5,206,801)
Sales of investments	3,155,188	4,090,192
Interest received	126,870	128,462
Interest paid or accrued interest purchased	(16,448)	-
Dividends received	309,963	270,600
Management costs paid	(58,607)	(46,567)
Other payments	(511)	(4,283)
Cash flow from operating activities	(4,154,594)	(768,397)
Issue of shares	5,161,381	1,060,684
Purchase of shares	(625,668)	-
Dividend distribution	(384,270)	(284,126)
Net cash flow from financing activities	4,151,443	776,558
Foreign exchange differences	442	123
Net cash flow	(2,709)	8,284
Cash and cash equivalents at beginning of the period	22,492	14,208
Cash and cash equivalents at end of the period	19,783	22,492

The notes form an integral part of the financial statements.

5.9.4. Statement of changes in equity

(amounts x € 1)	2019	2018
Capital		
Opening balance	2,880	2,700
Issue of shares	830	180
Purchase of shares	(100)	-
Closing balance	3,610	2,880
Share premium		
Opening balance	16,447,060	15,386,556
Issue of shares	5,160,551	1,060,504
Purchase of shares	(625,568)	-
Closing balance	20,982,043	16,447,060
General reserve		
Opening balance	362,423	308,063
Unappropriated result from previous financial year	(455,208)	349,260
Dividend distribution	(384,270)	(294,900)
Closing balance	(477,055)	362,423
Opening balance total	16,357,155	16,046,579
Issue of shares	5,161,381	1,060,684
Purchase of shares	(625,668)	-
Dividend distribution	(384,270)	(294,900)
Result	2,740,534	(455,208)
Closing balance total	23,249,132	16,357,155
Numbers of shares		
Opening balance	288,000	270,000
Issue of shares	83,000	18,000
Purchase of shares	(10,000)	-
Closing balance	361,000	288,000

5.9.5. Notes**Accounting policies**

For the accounting policies used for the financial statements, refer to the Company's accounting policies as set out in chapter 5.5.

Notes to the balance sheet and statement of comprehensive income**1. Investments****Summary of changes in the investments according to characteristic of financial instrument**

(amounts x € 1)	Shares	Bonds	Property shares	Total 2019
Opening balance	6,087,381	8,500,177	1,691,549	16,279,107
Purchases of investments	3,453,944	3,305,259	911,846	7,671,049
Sales of investments	(1,409,211)	(1,205,621)	(540,356)	(3,155,188)
Changes in value	1,656,667	376,013	329,323	2,362,003
Total	9,788,781	10,975,828	2,392,362	23,156,971

Summary of changes in the investments according to characteristic of financial instrument

(amounts x € 1)	Shares	Bonds	Property shares	Total 2018
Opening balance	6,402,229	7,982,627	1,584,374	15,969,230
Purchases of investments	2,052,689	2,830,674	323,438	5,206,801
Sales of investments	(1,726,103)	(2,214,742)	(149,347)	(4,090,192)
Changes in value	(641,434)	(98,382)	(66,916)	(806,732)
Total	6,087,381	8,500,177	1,691,549	16,279,107

The table below provides an analysis of the financial instruments valued at fair value, per valuation method.

Composition of investments according to valuation technique

(amounts x € 1)	2019	2018
Level 1	23,156,971	16,279,107
Total	23,156,971	16,279,107

All the investments of the Sub-fund are listed and therefore classified as level 1 investments.

VanEck Vectors™ Multi-Asset Balanced Allocation UCITS ETF

Composition of investments

(amounts x € 1)		2019	
	Currency	Market value	% of NAV
Shares			
Nintendo Co Ltd	JPY	72,090	0.3
BNP Paribas SA	EUR	70,529	0.3
JPMorgan Chase & Co	USD	68,676	0.3
TESCO PLC	GBP	66,997	0.3
Siemens AG	EUR	66,895	0.3
Apple Inc	USD	66,710	0.3
AXA SA	EUR	61,771	0.3
ASML Holding NV	EUR	61,706	0.3
QUALCOMM Inc	USD	61,153	0.3
Atlas Copco AB	SEK	60,124	0.3
Other		9,132,130	39.1
Total shares		9,788,781	42.1
Bonds			
GOLDMAN SACHS GROUP INC 1.375% 15/5/2024	EUR	508,891	2.2
BONOS Y OBLIG DEL ESTADO 1.45% 31/10/2027	EUR	352,493	1.5
BUNDESREPUB. DEUTSCHLAND 0.5% 15/8/2027	EUR	323,532	1.4
NESTLE FINANCE INTL LTD 1.75% 2/11/2037	EUR	310,039	1.3
RABOBANK NEDERLAND 1.375% 3/2/2027	EUR	276,988	1.2
SIEMENS FINANCIERINGSMAT 1.375% 6/9/2030	EUR	266,584	1.1
VODAFONE GROUP PLC 2.2% 25/8/2026	EUR	261,402	1.1
ROYAL BK SCOTLND GRP PLC 2% 8/3/2023	EUR	245,792	1.1
FRANCE (GOVT OF) 1% 25/5/2027	EUR	245,546	1.1
BONOS Y OBLIG DEL ESTADO 1.3% 31/10/2026	EUR	242,335	1.0
Other		7,942,226	34.2
Total bonds		10,975,828	47.2
Property shares			
Simon Property Group Inc	USD	125,141	0.5
Prologis Inc	USD	117,531	0.5
Vonovia SE	EUR	85,489	0.4
Welltower Inc	USD	78,685	0.3
Public Storage Inc	USD	74,371	0.3
Equity Residential Inc	USD	61,349	0.3
Sun Communities Inc	USD	57,232	0.2
Mitsubishi Estate Co Ltd	JPY	54,641	0.2
Essex Property Trust Inc	USD	53,605	0.2
Unibail-Rodamco-Westfield Ltd	EUR	50,775	0.2
Other		1,633,543	7.2
Total property shares		2,392,362	10.3
Total investments		23,156,971	99.6

2. Cash and cash equivalents

At 31 December 2019 there are no restrictions on the use of the cash and cash equivalents.

VanEck Vectors™ Multi-Asset Balanced Allocation UCITS ETF

3. Receivables

(amounts x € 1)	2019	2018
Dividend receivable	26,012	18,036
Accrued interest on bonds	62,701	49,394
Other receivables	40	3,126
Total	88,753	70,556

4. Summary of changes in the assets under management

(amounts x € 1)	2019	2018
Opening balance	16,357,155	16,046,579
Issue of shares	5,161,381	1,060,684
Purchase of shares	(625,668)	-
Dividend distribution	(384,270)	(294,900)
Interest income	124,110	119,569
Interest expense	(381)	(903)
Dividend income	317,939	286,449
Changes in the value of investments	2,362,003	(806,732)
Management fee	(60,315)	(49,426)
Exchange rate differences	442	123
Other expenses	(3,264)	(4,288)
Closing balance	23,249,132	16,357,155

5. Other payables

(amounts x € 1)	2019	2018
Management costs payable	5,929	4,221
Dividend tax payable	10,411	10,774
Other short-term debts	35	5
Total	16,375	15,000

6. Affiliated parties

A party is an affiliated party if one party can exercise control over the other party or exert significant influence on the other party's financial and operational policy.

VanEck Asset Management B.V. is the Company's director according to the articles of association and acts as Manager of the Company.

The management costs include all costs relating to the management of a fund, such as the management fee, costs of the custodial bank and the payment office, the listing costs, auditor's fee, costs of the purchase and issue of shares, the costs of having the Sub-funds correspond to the relevant index and the administration costs. The management costs are deducted daily from the definitive Net Intrinsic Value of a share in a Sub-fund. The management costs for the period from 1 January 2019 to 31 December 2019 amount to € 60,315 (in 2018: € 49,426).

VanEck Vectors™ Multi-Asset Balanced Allocation UCITS ETF

7. Risks with regard to the financial instruments**Price risk**

In terms of price risk, a distinction can be made between:

- Currency risk, which is the risk that the value of a financial instrument will fluctuate as the result of changes in exchange rates;
- Market risk, which is the risk that the value of a financial instrument will fluctuate as the result of changes in market prices caused by factors that apply exclusively for the individual instrument or emitting party, or by factors that affect all instruments traded on the market;
- Interest rate risk, which is the risk that the value of a financial instrument will fluctuate as the result of changes in the market interest rate.

The notion of price risk encompasses not only the likelihood of losses, but also the likelihood of gains.

Currency risk

The fund has investments denominated in foreign currency and is therefore exposed to significant currency risk.

(amounts x € 1)		2019		2018	
Currency	Amount	% of the NAV	Amount	% of the NAV	
Euro	13,393,627	57.6	10,125,729	61.8	
US dollar	5,173,913	22.3	3,347,812	20.5	
Japanese yen	1,938,570	8.3	1,072,965	6.6	
Other currency	2,743,022	11.8	1,810,649	11.1	
Total	23,249,132	100.0	16,357,155	100.0	

A 5% increase in the relevant currency, starting on the balance sheet date and applicable for every currency, would result in a profit increase for the reporting period as shown in the table below.

(amounts x € 1)		2019		2018	
Currency	Amount	% of the NAV	Amount	% of the NAV	
US dollar	258,696	1.1	167,391	1.0	
Japanese yen	96,929	0.4	53,648	0.3	

A 5% decrease in a currency would have an impact of the same magnitude in the opposite direction.

VanEck Vectors™ Multi-Asset Balanced Allocation UCITS ETF

Market risk

The risk as a result of changes in market prices is limited by diversifying the investments in the portfolio as much as possible by region and sector.

Portfolio distribution by sector

(amounts x € 1)		2019		2018	
Sector	Amount	% of the NAV	Amount	% of the NAV	
Financial	6,553,962	28.3	4,512,445	27.5	
Government	5,426,922	23.3	4,263,950	26.1	
Non-cyclical consumer goods	2,963,199	12.7	1,811,324	11.1	
Cyclical consumer goods	1,817,535	7.8	1,336,928	8.2	
Industry	1,651,448	7.1	838,712	5.1	
Communication	1,551,967	6.7	1,369,926	8.4	
Other sectors	3,191,938	13.7	2,145,822	13.1	
Total	23,156,971	99.6	16,279,107	99.5	

A 5% increase in the relevant sector, starting on the balance sheet date and applicable for every sector, would result in a profit increase for the reporting period as shown in the table below.

(amounts x € 1)		2019		2018	
Sector	Amount	% of the NAV	Amount	% of the NAV	
Financial	327,698	1.4	225,622	1.4	
Government	271,346	1.2	213,198	1.3	
Non-cyclical consumer goods	148,160	0.6	90,566	0.6	
Cyclical consumer goods	90,877	0.4	66,846	0.4	
Industry	82,572	0.4	41,936	0.3	
Communication	77,598	0.3	68,496	0.4	

A 5% decrease in the sector would have an impact of the same magnitude in the opposite direction.

VanEck Vectors™ Multi-Asset Balanced Allocation UCITS ETF

Portfolio distribution by country

(amounts x € 1)		2019		2018	
Country	Amount	% of the NAV	Amount	% of the NAV	
United States	6,640,133	28.6	4,236,292	25.9	
France	2,275,012	9.8	1,849,798	11.3	
Japan	2,194,725	9.4	1,144,552	7.0	
Germany	2,190,000	9.4	1,625,532	9.9	
Netherlands	1,890,907	8.1	1,159,581	7.1	
United Kingdom	1,664,786	7.2	1,628,717	10.0	
Italy	1,274,410	5.5	952,720	5.8	
Spain	1,260,101	5.4	964,465	5.9	
Other countries	3,766,897	16.2	2,717,450	16.6	
Total	23,156,971	99.6	16,279,107	99.5	

A 5% increase due to specific political or economical circumstances in the relevant country, starting on the balance sheet date and applicable for every country, would result in a profit increase for the reporting period as shown in the table below.

(amounts x € 1)		2019		2018	
Country	Amount	% of the NAV	Amount	% of the NAV	
United States	332,007	1.4	211,815	1.3	
France	113,751	0.5	92,490	0.6	
Japan	109,736	0.5	57,228	0.3	
Germany	109,500	0.5	81,277	0.5	
Netherlands	94,545	0.4	57,979	0.4	
United Kingdom	83,239	0.4	81,436	0.5	
Italy	63,721	0.3	47,636	0.3	
Spain	63,005	0.3	48,223	0.3	

A 5% decrease in a country would have an impact of the same magnitude in the opposite direction.

VanEck Vectors™ Multi-Asset Balanced Allocation UCITS ETF

Interest rate risk

The Sub-fund invests in fixed-interest financial instruments and is consequently exposed to interest rate risk.

(amounts x € 1)	<= 1 year	<= 5 years	> 5 years	Not interest bearing	Total 2019
Assets					
Investments	167,987	4,080,578	6,727,263	12,181,143	23,156,971
Cash and cash equivalents	19,783	-	-	-	19,783
Receivables	-	-	-	88,753	88,753
Total assets	187,770	4,080,578	6,727,263	12,269,896	23,265,507
Liabilities					
Other payables	-	-	-	16,375	16,375
Equity					
Shares	-	-	-	23,249,132	23,249,132
Total equity and liabilities	-	-	-	23,265,507	23,265,507
Total	187,770	4,080,578	6,727,263	(10,995,611)	-

(amounts x € 1)	<= 1 year	<= 5 years	> 5 years	Not interest bearing	Total 2018
Assets					
Investments	339,383	3,011,176	5,149,618	7,778,930	16,279,107
Cash and cash equivalents	22,492	-	-	-	22,492
Receivables	-	-	-	70,556	70,556
Total assets	361,875	3,011,176	5,149,618	7,849,486	16,372,155
Liabilities					
Other payables	-	-	-	15,000	15,000
Equity					
Shares	-	-	-	16,357,155	16,357,155
Total equity and liabilities	-	-	-	16,372,155	16,372,155
Total	361,875	3,011,176	5,149,618	(8,522,669)	-

All other variables remaining the same, a 100-basis point decline in the interest rates effective as of the balance sheet date would result in a € 678,793 increase in the profit for the reporting period (2018: € 501,252). A 100-basis point rise in the interest rates effective as of the balance sheet date would result in a € 678,793 decrease in the profit for the reporting period.

VanEck Vectors™ Multi-Asset Balanced Allocation UCITS ETF

Cash flow risk

Cash flow risk is the risk that future cash flows associated with a monetary financial instrument will fluctuate in size. The Sub-fund does not invest a significant part of the fund assets in monetary financial instruments with variable interest and is therefore not exposed to significant cash flow risk.

Credit risk

Credit risk is the risk that the contract party in a financial instrument will not satisfy its obligation, which means the Sub-fund will have to recognise a financial loss. The amount that best represents the maximum credit risk is € 11,084,364 (2018: € 8,593,225).

(amounts x € 1)		2019		2018	
Credit rating	Amount	% of the NAV	Amount	% of the NAV	
AAA	1,471,618	6.3	1,286,952	7.9	
AA	2,726,443	11.7	1,921,220	11.7	
A	3,080,913	13.3	2,358,514	14.4	
BBB	3,661,537	15.7	2,898,722	17.6	
BB	35,317	0.2	34,769	0.2	
Total	10,975,828	47.2	8,500,177	51.8	

Liquidity risk

Liquidity risk, also called funding risk, is the risk that the legal entity will be unable to secure the financial resources needed to satisfy obligations under the financial instruments. Liquidity risk can arise, for instance, if a financial asset cannot be sold at virtually fair value in the short term.

Shares in the Sub-funds can be bought and sold on Euronext Amsterdam, whereby the Liquidity Provider ensures that there is both a bid and ask price at which the share can be traded. The Sub-fund's investments are likewise listed. Consequently the Sub-fund is not exposed to significant liquidity risk.

8. Cost section**OCF (ongoing charges figure)**

The OCF is a measure of the ongoing costs charged to the Sub-fund during the reporting period. The following starting points are important for calculating the ongoing charges:

- The OCF shows the ratio of ongoing costs to average intrinsic value. The ongoing charges encompass all costs charged to the fund assets during the reporting period, with the exception of the spread applied for the entry and exit of shareholders, any performance fees and transaction costs of investments and interest charges on bank accounts. Performance fees must be presented separately, if applicable. No performance fee applies for the VanEck UCITS ETFs.
- The average intrinsic value is based on the intrinsic values on every day that the intrinsic value of the Sub-fund is determined during the reporting period.

(amounts x € 1.000)	2019	2018
Average intrinsic value	20,081,991	16,495,383
Total costs within the Sub-fund	60,315	49,426
OCF	0.30%	0.30%

Comparison of costs to prospectus over 2019 financial year

(amounts x € 1)	Amount	%	Prospectus
Total costs within the Sub-fund	60,315	0.30%	0.30%

The percentage is calculated with respect to the average assets as used for the OCF.

Portfolio Turnover ratio

The Portfolio Turnover ratio (PTR) gives an indication of the turnover rate of the Sub-fund's portfolio. This indicator gives an impression of the relative transaction costs involved in the differences in portfolio management.

The PTR is calculated as follows:

$$[(\text{Total 1} - \text{Total 2}) / X] * 100$$

Total 1: the total amount in securities transactions (securities purchases + securities sales)

Total 2: the total amount in transactions (issue + purchases) of participation rights in the investment institution

X: the average intrinsic value of the investment institution.

A PTR of 25.2% is calculated using this formula (2018: 50.2%). This means that in 2019, purchases and sales took place in the amount of 0.3 times the average intrinsic value of the Sub-fund. This amount has been corrected for the regular purchases and sales performed on account of subscriptions and redemptions.

VanEck Vectors™ ETFs N.V.

Series E

VanEck Vectors™ Multi-Asset Growth Allocation UCITS ETF

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5.10 Financial statements as of 31 December

5.10.1. Balance sheet (before result appropriation)

(amounts x € 1)		2019	2018
ASSETS			
<u>Investments</u>			
Shares		8,782,410	6,283,833
Bonds		3,957,831	3,487,498
Property shares		1,524,317	1,203,884
Investments	{1}	14,264,558	10,975,215
Cash and cash equivalents	{2}	14,224	16,398
Receivables	{3}	40,933	36,614
Total assets		14,319,715	11,028,227
Equity			
Issued capital		2,100	1,900
Share premium reserve		12,126,304	10,809,877
General reserve		(79,295)	705,697
Result		2,260,663	(500,192)
Total equity	{4}	14,309,772	11,017,282
LIABILITIES			
Other payables	{5}	9,943	10,945
Total liabilities		9,943	10,945
Total equity and liabilities		14,319,715	11,028,227

The numbers next to the items refer to the notes to the balance sheet and statement of comprehensive income. The notes form an integral part of the financial statements.

5.10.2. Statement of comprehensive income

(amounts x € 1)	2019	2018
Investment result		
Changes in the value of investments	1,976,294	(765,648)
Interest income	41,284	39,816
Interest expense	(206)	(562)
Dividend income	286,180	265,722
Foreign exchange differences	1,074	430
Total investment result	2,304,626	(460,242)
Management costs {8}	(40,740)	(35,822)
Transaction costs	(3,223)	(4,128)
Total expenses	(43,963)	(39,950)
Total result	2,260,663	(500,192)

The numbers next to the items refer to the notes to the balance sheet and statement of comprehensive income. The notes form an integral part of the financial statements.

5.10.3. Cash flow statement

(amounts x € 1)	2019	2018
Purchases of investments	(3,064,234)	(3,299,011)
Sales of investments	1,751,185	2,684,435
Interest received	41,376	43,090
Interest paid or accrued interest purchased	(1,722)	-
Dividends received	283,285	251,467
Management costs paid	(39,900)	(35,601)
Other payments	(3,168)	(4,156)
Cash flow from operating activities	(1,033,178)	(359,776)
Issue of shares	1,316,627	624,291
Dividend distribution	(286,697)	(260,005)
Net cash flow from financing activities	1,029,930	364,286
Foreign exchange differences	1,074	430
Net cash flow	(2,174)	4,940
Cash and cash equivalents at beginning of the period	16,398	11,458
Cash and cash equivalents at end of the period	14,224	16,398

The notes form an integral part of the financial statements.

5.10.4. Statement of changes in equity

(amounts x € 1)	2019	2018
Capital		
Opening balance	1,900	1,800
Issue of shares	200	100
Closing balance	2,100	1,900
Share premium		
Opening balance	10,809,877	10,185,686
Issue of shares	1,316,427	624,191
Closing balance	12,126,304	10,809,877
General reserve		
Opening balance	705,697	599,574
Unappropriated result from previous financial year	(500,192)	374,023
Dividend distribution	(284,800)	(267,900)
Closing balance	(79,295)	705,697
Opening balance total	11,017,282	11,161,083
Issue of shares	1,316,627	624,291
Dividend distribution	(284,800)	(267,900)
Result	2,260,663	(500,192)
Closing balance total	14,309,772	11,017,282
Numbers of shares		
Opening balance	190,000	180,000
Issue of shares	20,000	10,000
Closing balance	210,000	190,000

5.10.5. Notes**Accounting policies**

For the accounting policies used for the financial statements, refer to the Company's accounting policies as set out in chapter 5.5.

Notes to the balance sheet and statement of comprehensive income**1. Investments****Summary of changes in the investments according to characteristic of financial instrument**

(amounts x € 1)	Shares	Bonds	Property shares	Total 2019
Opening balance	6,283,833	3,487,498	1,203,884	10,975,215
Purchases of investments	1,894,560	792,658	377,016	3,064,234
Sales of investments	(1,003,128)	(466,086)	(281,971)	(1,751,185)
Changes in value	1,607,145	143,761	225,388	1,976,294
Total	8,782,410	3,957,831	1,524,317	14,264,558

Summary of changes in the investments according to characteristic of financial instrument

(amounts x € 1)	Shares	Bonds	Property shares	Total 2018
Opening balance	6,668,705	3,344,024	1,113,558	11,126,287
Purchases of investments	2,297,598	727,756	273,657	3,299,011
Sales of investments	(2,004,239)	(548,550)	(131,646)	(2,684,435)
Changes in value	(678,231)	(35,732)	(51,685)	(765,648)
Total	6,283,833	3,487,498	1,203,884	10,975,215

The table below provides an analysis of the financial instruments valued at fair value, per valuation method.

Composition of investments according to valuation technique

(amounts x € 1)	2019	2018
Level 1	14,264,558	10,975,215
Total	14,264,558	10,975,215

All the investments of the Sub-fund are listed and therefore classified as level 1 investments.

VanEck Vectors™ Multi-Asset Growth Allocation UCITS ETF

Composition of investments

(amounts x € 1)		2019	
	Currency	Market value	% of NAV
Shares			
Muenchener Rueckversicherungs-Gesellschaft AG	EUR	63,647	0.4
US Bancorp Ltd	USD	61,271	0.4
Tokyo Electron Ltd	JPY	58,838	0.4
BNP Paribas SA	EUR	56,158	0.4
ASML Holding NV	EUR	55,641	0.4
CSL Ltd	AUD	55,088	0.4
QUALCOMM Inc	USD	54,707	0.4
Home Depot Inc	USD	53,695	0.4
Daiichi Sankyo Co Ltd	JPY	53,327	0.4
Fast Retailing Co Ltd	JPY	53,284	0.4
Other		8,216,754	57.4
Total shares		8,782,410	61.4
Bonds			
BONOS Y OBLIG DEL ESTADO 1.45% 30/4/2029	EUR	172,676	1.2
E.ON SE 0.35% 28/2/2030	EUR	116,427	0.8
FRANCE (GOVT OF) 0.25% 25/11/2026	EUR	102,780	0.7
BUONI POLIENALI DEL TES 2.8% 1/12/2028	EUR	99,587	0.7
NESTLE FINANCE INTL LTD 1.75% 2/11/2037	EUR	98,649	0.7
INNOGY FINANCE BV 1.25% 19/10/2027	EUR	92,978	0.6
BELGIUM KINGDOM 0.8% 22/6/2028	EUR	90,677	0.6
FRANCE (GOVT OF) 1.75% 25/11/2024	EUR	90,556	0.6
BUNDESREPUB. DEUTSCHLAND 0.5% 15/2/2026	EUR	87,684	0.6
BUNDESREPUB. DEUTSCHLAND 0.25% 15/2/2027	EUR	86,636	0.6
Other		2,919,181	20.6
Total bonds		3,957,831	27.7
Property shares			
Simon Property Group Inc	USD	82,541	0.6
Prologis Inc	USD	71,550	0.5
Public Storage Inc	USD	58,054	0.4
Vonovia SE	EUR	57,360	0.4
AvalonBay Communities Inc	USD	39,418	0.3
Welltower Inc	USD	36,573	0.3
Digital Realty Trust Inc	USD	35,735	0.2
American Tower Corp	USD	35,625	0.2
PSP Swiss Property AG	CHF	30,973	0.2
Mitsubishi Estate Co Ltd	JPY	29,205	0.2
Other		1,047,283	7.3
Total property shares		1,524,317	10.6
Total investments		14,264,558	99.7

2. Cash and cash equivalents

At 31 December 2019 there are no restrictions on the use of the cash and cash equivalents.

3. Receivables

(amounts x € 1)	2019	2018
Dividend receivable	21,055	18,160
Accrued interest on bonds	19,859	18,446
Other receivables	19	8
Total	40,933	36,614

4. Summary of changes in the assets under management

(amounts x € 1)	2019	2018
Opening balance	11,017,282	11,161,083
Issue of shares	1,316,627	624,291
Dividend distribution	(284,800)	(267,900)
Interest income	41,284	39,816
Interest expense	(206)	(562)
Dividend income	286,180	265,722
Changes in the value of investments	1,976,294	(765,648)
Management fee	(40,740)	(35,822)
Exchange rate differences	1,074	430
Other expenses	(3,223)	(4,128)
Closing balance	14,309,772	11,017,282

5. Other payables

(amounts x € 1)	2019	2018
Management costs payable	3,888	3,048
Dividend tax payable	5,998	7,895
Other short-term debts	57	2
Total	9,943	10,945

6. Affiliated parties

A party is an affiliated party if one party can exercise control over the other party or exert significant influence on the other party's financial and operational policy.

VanEck Asset Management B.V. is the Company's director according to the articles of association and acts as Manager of the Company.

The management costs include all costs relating to the management of a fund, such as the management fee, costs of the custodial bank and the payment office, the listing costs, auditor's fee, costs of the purchase and issue of shares, the costs of having the Sub-funds correspond to the relevant index and the administration costs. The management costs are deducted daily from the definitive Net Intrinsic Value of a share in a Sub-fund. The management costs for the period from 1 January 2019 to 31 December 2019 amount to € 40,740 (in 2018: € 35,822).

VanEck Vectors™ Multi-Asset Growth Allocation UCITS ETF

7. Risks with regard to the financial instruments**Price risk**

In terms of price risk, a distinction can be made between:

- Currency risk, which is the risk that the value of a financial instrument will fluctuate as the result of changes in exchange rates;
- Market risk, which is the risk that the value of a financial instrument will fluctuate as the result of changes in market prices caused by factors that apply exclusively for the individual instrument or emitting party, or by factors that affect all instruments traded on the market;
- Interest rate risk, which is the risk that the value of a financial instrument will fluctuate as the result of changes in the market interest rate.

The notion of price risk encompasses not only the likelihood of losses, but also the likelihood of gains.

Currency risk

The fund has investments denominated in foreign currency and is therefore exposed to significant currency risk.

(amounts x € 1)		2019		2018	
Currency	Amount	% of the NAV	Amount	% of the NAV	
Euro	6,078,006	42.5	5,054,710	45.9	
US dollar	4,197,149	29.3	3,177,887	28.8	
Japanese yen	1,623,453	11.3	1,030,974	9.4	
British pound	794,299	5.6	626,058	5.7	
Other currencies	1,616,865	11.3	1,127,653	10.2	
Total	14,309,772	100.0	11,017,282	100.0	

A 5% increase in the relevant currency, starting on the balance sheet date and applicable for every currency, would result in a profit increase for the reporting period as shown in the table below.

(amounts x € 1)		2019		2018	
Currency	Amount	% of the NAV	Amount	% of the NAV	
US dollar	209,857	1.5	158,894	1.4	
Japanese yen	81,173	0.6	51,549	0.5	
British pound	39,715	0.3	31,303	0.3	

A 5% decrease in a currency would have an impact of the same magnitude in the opposite direction.

Market risk

The risk as a result of changes in market prices is limited by diversifying the investments in the portfolio as much as possible by region and sector.

VanEck Vectors™ Multi-Asset Growth Allocation UCITS ETF

Portfolio distribution by sector

(amounts x € 1)		2019		2018	
Sector	Amount	% of the NAV	Amount	% of the NAV	
Financial	3,981,155	27.9	3,099,462	28.2	
Non-cyclical consumer goods	2,180,725	15.2	1,593,241	14.5	
Governance	2,101,045	14.7	1,741,641	15.8	
Industry	1,241,379	8.7	864,033	7.8	
Cyclical consumer goods	1,211,134	8.5	1,084,605	9.8	
Communication	1,120,355	7.8	905,741	8.2	
Technology	865,089	6.0	558,307	5.1	
Other sectors	1,563,676	10.9	1,128,185	10.2	
Total	14,264,558	99.7	10,975,215	99.6	

A 5% increase in the relevant sector, starting on the balance sheet date and applicable for every sector, would result in a profit increase for the reporting period as shown in the table below.

(amounts x € 1)		2019		2018	
Sector	Amount	% of the NAV	Amount	% of the NAV	
Financial	199,058	1.4	154,973	1.4	
Non-cyclical consumer goods	109,036	0.8	79,662	0.7	
Governance	105,052	0.7	87,082	0.8	
Industry	62,069	0.4	43,202	0.4	
Cyclical consumer goods	60,557	0.4	54,230	0.5	
Communication	56,018	0.4	45,287	0.4	
Technology	43,254	0.3	27,915	0.3	

A 5% decrease in the sector would have an impact of the same magnitude in the opposite direction.

Portfolio distribution by country

(amounts x € 1)		2019		2018	
Country	Amount	% of the NAV	Amount	% of the NAV	
United States	4,553,862	31.8	3,514,039	31.9	
Japan	1,667,646	11.7	1,072,475	9.7	
Germany	1,265,866	8.8	1,058,671	9.6	
France	1,209,806	8.5	976,176	8.9	
United Kingdom	1,089,704	7.6	966,132	8.8	
Netherlands	850,044	5.9	720,013	6.5	
Spain	727,937	5.1	481,777	4.4	
Other countries	2,899,693	20.3	2,185,932	19.8	
Total	14,264,558	99.7	10,975,215	99.6	

A 5% increase due to specific political or economical circumstances in the relevant country, starting on the balance sheet date and applicable for every country, would result in a profit increase for the reporting period as shown in the table below.

(amounts x € 1)	2019		2018	
Country	Amount	% of the NAV	Amount	% of the NAV
United States	227,693	1.6	175,702	1.6
Japan	83,382	0.6	53,624	0.5
Germany	63,293	0.4	52,934	0.5
France	60,490	0.4	48,809	0.4
United Kingdom	54,485	0.4	48,307	0.4
Netherlands	42,502	0.3	36,001	0.3
Spain	36,397	0.3	24,089	0.2

A 5% decrease in a country would have an impact of the same magnitude in the opposite direction.

Interest rate risk

The Sub-fund invests in fixed-interest financial instruments and is consequently exposed to interest rate risk.

(amounts x € 1)	<= 1 year	<= 5 years	> 5 years	Not interest bearing	Total 2019
Assets					
Investments	164,272	1,489,485	2,304,074	10,306,727	14,264,558
Cash and cash equivalents	14,224	-	-	-	14,224
Receivables	-	-	-	40,933	40,933
Total assets	178,496	1,489,485	2,304,074	10,347,660	14,319,715
Liabilities					
Other payables	-	-	-	9,943	9,943
Equity					
Shares	-	-	-	14,309,772	14,309,772
Total equity and liabilities	-	-	-	14,319,715	14,319,715
Total	178,496	1,498,485	2,304,074	(3,972,055)	-

(amounts x € 1)	<= 1 year	<= 5 years	> 5 years	Not interest bearing	Total 2018
Assets					
Investments	138,248	897,338	2,451,912	7,487,717	10,975,215
Cash and cash equivalents	16,398	-	-	-	16,398
Receivables	-	-	-	36,614	36,614
Total assets	154,646	897,338	2,451,912	7,524,331	11,028,227
Liabilities					
Other payables	-	-	-	10,945	10,945
Equity					
Shares	-	-	-	11,017,282	11,017,282
Total equity and liabilities	-	-	-	11,028,227	11,028,227
Total	154,646	897,338	2,451,912	(3,503,896)	-

All other variables remaining the same, a 100-basis point decline in the interest rates effective as of the balance sheet date would result in a € 236,900 increase in the profit for the reporting period (2018: € 204,132). A 100-basis point rise in the interest rates effective as of the balance sheet date would result in a € 236,900 decrease in the profit for the reporting period.

Cash flow risk

Cash flow risk is the risk that future cash flows associated with a monetary financial instrument will fluctuate in size. The Sub-fund does not invest a significant part of the fund assets in monetary financial instruments with variable interest and is therefore not exposed to significant cash flow risk.

Credit risk

Credit risk is the risk that the contract party in a financial instrument will not satisfy its obligation, which means the Sub-fund will have to recognise a financial loss. The amount that best represents the maximum credit risk is € 4,012,988 (2018: € 3,540,510).

The Sub-fund invests in monetary financial instruments and is consequently exposed to significant credit risk. The table below shows the concentrations of credit risk of the investments in bonds.

(amounts x € 1)	2019		2018	
Credit rating	Amount	% of the NAV	Amount	% of the NAV
AAA	545,384	3.8	535,246	4.9
AA	957,773	6.7	831,391	7.5
A	1,241,701	8.7	1,145,572	10.4
BBB	1,212,973	8.5	955,421	8.7
BB	-	-	19,868	0.2
Total	3,957,831	27.7	3,487,498	31.7

VanEck Vectors™ Multi-Asset Growth Allocation UCITS ETF

Liquidity risk

Liquidity risk, also called funding risk, is the risk that the legal entity will be unable to secure the financial resources needed to satisfy obligations under the financial instruments. Liquidity risk can arise, for instance, if a financial asset cannot be sold at virtually fair value in the short term.

Shares in the Sub-funds can be bought and sold on Euronext Amsterdam, whereby the Liquidity Provider ensures that there is both a bid and ask price at which the share can be traded. The Sub-fund's investments are likewise listed. Consequently the Sub-fund is not exposed to significant liquidity risk.

8. Cost section**OCF (ongoing charges figure)**

The OCF is a measure of the ongoing costs charged to the Sub-fund during the reporting period. The following starting points are important for calculating the ongoing charges:

- The OCF shows the ratio of ongoing costs to average intrinsic value. The ongoing charges encompass all costs charged to the fund assets during the reporting period, with the exception of the spread applied for the entry and exit of shareholders, any performance fees and transaction costs of investments and interest charges on bank accounts. Performance fees must be presented separately, if applicable. No performance fee applies for the VanEck UCITS ETFs.
- The average intrinsic value is based on the intrinsic values on every day that the intrinsic value of the Sub-fund is determined during the reporting period.

(amounts x € 1.000)	2019	2018
Average intrinsic value	12,722,759	11,199,839
Total costs within the Sub-fund	40,740	35,822
OCF	0.32%	0.32%

Comparison of costs to prospectus over 2019 financial year

(amounts x € 1)	Amount	%	Prospectus
Total costs within the Sub-fund	40,740	0.32%	0.32%

The percentage is calculated with respect to the average assets as used for the OCF.

Portfolio Turnover ratio

The Portfolio Turnover ratio (PTR) gives an indication of the turnover rate of the Sub-fund's portfolio. This indicator gives an impression of the relative transaction costs involved in the differences in portfolio management.

The PTR is calculated as follows:

$$[(\text{Total 1} - \text{Total 2}) / X] * 100$$

Total 1: the total amount in securities transactions (securities purchases + securities sales)

Total 2: the total amount in transactions (issue + purchases) of participation rights in the investment institution

X: the average intrinsic value of the investment institution.

A PTR of 27.5% is calculated using this formula (2018: 47.9%). This means that in 2019, purchases and sales took place in the amount of 0.3 times the average intrinsic value of the Sub-fund. This amount has been corrected for the regular purchases and sales performed on account of subscriptions and redemptions.

VanEck Vectors™ ETFs N.V.

Series F

VanEck Vectors™ Global Equal Weight UCITS ETF

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5.11 Financial statements as of 31 December

5.11.1. Balance sheet (before result appropriation)

(amounts x € 1)		2019	2018
ASSETS			
<u>Investments</u>			
Shares		987,052,516	783,475,707
Property shares		11,133,143	6,370,399
Investments	{1}	998,185,659	789,846,106
Cash and cash equivalents	{2}	5,683,093	-
Receivables	{3}	7,089,088	1,727,236
Total assets		1,010,957,840	791,573,342
Equity			
Issued capital		219,112	214,812
Share premium reserve		761,416,596	744,980,395
General reserve		17,287,262	91,064,883
Result		222,287,550	(47,006,195)
Total equity	{4}	1,001,210,520	789,253,895
LIABILITIES			
Debts to credit institutions	{2}	-	1,551,863
Other payables	{5}	9,747,320	767,584
Total liabilities		9,747,320	2,319,447
Total equity and liabilities		1,010,957,840	791,573,342

The numbers next to the items refer to the notes to the balance sheet and statement of comprehensive income. The notes form an integral part of the financial statements.

5.11.2. Statement of comprehensive income

(amounts x € 1)	2019	2018
Investment result		
Changes in the value of investments	194,554,939	(66,995,618)
Interest income	2,283	3,290
Interest expense	(31,895)	(19,333)
Dividend income	29,275,148	21,217,040
Foreign exchange differences	305	30,339
Total investment result	223,800,780	(45,764,282)
Management costs {8}	(1,509,286)	(1,231,488)
Transactions costs	(3,944)	(10,425)
Total expenses	(1,513,230)	(1,241,913)
Total result	222,287,550	(47,006,195)

The numbers next to the items refer to the notes to the balance sheet and statement of comprehensive income. The notes form an integral part of the financial statements.

5.11.3. Cash flow statement

(amounts x € 1)	2019	2018
Purchases of investments	(228,524,252)	(322,431,965)
Sales of investments	219,310,876	93,161,043
Interest received	-	15,035
Interest paid or accrued interest purchased	(29,286)	(16,043)
Dividends received	28,485,680	20,638,299
Management costs paid	(1,490,425)	(1,212,409)
Other payments	(13,412)	(875)
Cash flow from operating activities	17,739,181	(209,846,915)
Issue of shares	98,346,288	226,932,835
Purchase of shares	(81,896,537)	-
Dividend distribution	(26,954,281)	(19,582,774)
Net cash flow from financing activities	(10,504,530)	207,350,061
Foreign exchange differences	305	30,339
Net cash flow	7,234,956	(2,466,515)
Cash and cash equivalents at beginning of the period	(1,551,863)	914,652
Cash and cash equivalents at end of the period	5,683,093	(1,551,863)

The notes form an integral part of the financial statements.

5.11.4. Statement of changes in equity

(amounts x € 1)	2019	2018
Capital		
Opening balance	214,812	158,062
Issue of shares	24,750	56,750
Purchase of shares	(20,450)	-
Closing balance	219,112	214,812
Share premium		
Opening balance	744,980,395	518,104,310
Issue of shares	102,894,248	226,876,085
Purchase of shares	(86,458,047)	-
Closing balance	761,416,596	744,980,395
General reserve		
Opening balance	91,064,883	71,097,213
Unappropriated result from previous financial year	(47,006,195)	39,909,981
Dividend distribution	(26,771,426)	(19,942,311)
Closing balance	17,287,262	91,064,883
Opening balance total	789,253,895	629,269,566
Issue of shares	102,918,998	226,932,835
Purchase of shares	(86,478,497)	-
Dividend distribution	(26,771,426)	(19,942,311)
Result	222,287,550	(47,006,195)
Closing balance total	1,001,210,520	789,253,895
Numbers of shares		
Opening balance	21,481,190	15,806,190
Issue of shares	2,475,000	5,675,000
Purchase of shares	(2,045,000)	-
Closing balance	21,911,190	21,481,190

5.11.5. Notes**Accounting policies**

For the accounting policies used for the financial statements, refer to the Company's accounting policies as set out in chapter 5.5.

Notes to the balance sheet and statement of comprehensive income**1. Investments****Summary of changes in the investments according to characteristic of financial instrument**

(amounts x € 1)	Shares	Property shares	Total 2019
Opening balance	783,475,707	6,370,399	789,846,106
Purchases of investments	224,785,525	8,309,965	233,095,490
Sales of investments	(214,833,766)	(4,477,110)	(219,310,876)
Changes in value	193,625,050	929,889	194,554,939
Total	987,052,516	11,133,143	998,185,659

Summary of changes in the investments according to characteristic of financial instrument

(amounts x € 1)	Shares	Property shares	Total 2018
Opening balance	618,611,596	8,958,788	627,570,384
Purchases of investments	319,562,781	2,869,602	322,432,383
Sales of investments	(88,798,806)	(4,362,237)	(93,161,043)
Changes in value	(65,899,864)	(1,095,754)	(66,995,618)
Total	783,475,707	6,370,399	789,846,106

The table below provides an analysis of the financial instruments valued at fair value, per valuation method.

Composition of investments according to valuation technique

(amounts x € 1)	2019	2018
Level 1	998,185,659	789,846,106
Total	998,185,659	789,846,106

All the investments of the Sub-fund are listed and therefore classified as level 1 investments.

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Composition of investments according to valuation technique

(amounts x € 1)		2019	
	Currency	Market value	% of NAV
Shares			
Daiichi Sankyo Co Ltd	JPY	5,984,438	0.6
Tokyo Electron Ltd	JPY	5,864,176	0.6
Apple Inc	USD	5,811,522	0.6
ASML Holding NV	EUR	5,802,454	0.6
QUALCOMM Inc	USD	5,760,219	0.6
Atlas Copco AB	SEK	5,476,206	0.5
Sony Corp	JPY	5,272,469	0.5
Nintendo Co Ltd	JPY	5,262,513	0.5
NVIDIA Corp	USD	5,183,726	0.5
Charter Communications Inc	USD	5,070,760	0.5
Other		931,564,033	93.1
Total shares		987,052,516	98.6
Property shares			
American Tower Corp	USD	4,429,742	0.4
Vonovia SE	EUR	3,705,888	0.4
Simon Property Group Inc	USD	2,997,513	0.3
Total property shares		11,133,143	1.1
Total investments		998,185,659	99.7

2. Cash and cash equivalents

At 31 December 2019 there are no restrictions on the use of the cash and cash equivalents.

3. Receivables

(amounts x € 1)		2019	2018
Dividend receivable		2,516,376	1,726,908
Other receivables		4,572,712	328
Total		7,089,088	1,727,236

The other receivables relates to subscriptions.

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4. Summary of changes in the assets under management

(amounts x € 1)	2019	2018
Opening balance	789,253,895	629,269,566
Issue of shares	102,918,998	226,932,835
Purchase of shares	(86,478,497)	-
Dividend distribution	(26,771,426)	(19,942,311)
Interest income	2,283	3,290
Interest expense	(31,895)	(19,333)
Dividend income	29,275,148	21,217,040
Changes in the value of investments	194,554,939	(66,995,618)
Management fee	(1,509,286)	(1,231,488)
Exchange rate differences	305	30,339
Other expenses	(3,944)	(10,425)
Closing balance	1,001,210,520	789,253,895

5. Other payables

(amounts x € 1)	2019	2018
Management costs payable	131,846	112,985
Dividend tax payable	451,748	634,603
Securities transactions still to be settled	4,571,656	418
Other short-term debts	4,592,070	19,578
Total	9,747,320	767,584

The other short-term debts relates to redemptions.

6. Affiliated parties

A party is an affiliated party if one party can exercise control over the other party or exert significant influence on the other party's financial and operational policy.

VanEck Asset Management B.V. is the Company's director according to the articles of association and acts as Manager of the Company.

The management costs include all costs relating to the management of a fund, such as the management fee, costs of the custodial bank and the payment office, the listing costs, auditor's fee, costs of the purchase and issue of shares, the costs of having the Sub-funds correspond to the relevant index and the administration costs. The management costs are deducted daily from the definitive Net Intrinsic Value of a share in a Sub-fund. The management costs for the period from 1 January 2019 to 31 December 2019 amount to € 1,509,286 (in 2018: € 1,231,488).

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7. Risks with regard to the financial instruments**Price risk**

In terms of price risk, a distinction can be made between:

- Currency risk, which is the risk that the value of a financial instrument will fluctuate as the result of changes in exchange rates;
- Market risk, which is the risk that the value of a financial instrument will fluctuate as the result of changes in market prices caused by factors that apply exclusively for the individual instrument or emitting party, or by factors that affect all instruments traded on the market;
- Interest rate risk, which is the risk that the value of a financial instrument will fluctuate as the result of changes in the market interest rate.

The notion of price risk encompasses not only the likelihood of losses, but also the likelihood of gains.

Currency risk

The fund has investments denominated in foreign currency and is therefore exposed to significant currency risk.

(amounts x € 1)		2019		2018	
Currency	Amount	% of the NAV	Amount	% of the NAV	
US dollar	383,527,226	38.2	315,066,424	39.9	
Euro	217,285,667	21.7	175,072,498	22.2	
Japanese yen	160,813,413	16.1	109,208,034	13.8	
British pound	82,811,259	8.3	75,006,279	9.5	
Other currency	156,772,955	15.7	114,900,660	14.6	
Total	1,001,210,520	100.0	789,253,895	100.0	

A 5% increase in the relevant currency, starting on the balance sheet date and applicable for every currency, would result in a profit increase for the reporting period as shown in the table below.

(amounts x € 1)		2019		2018	
Currency	Amount	% of the NAV	Amount	% of the NAV	
US dollar	19,176,361	1.9	15,753,321	2.0	
Japanese yen	8,040,671	0.8	5,460,402	0.7	
British pound	4,140,563	0.4	3,750,314	0.5	

A 5% decrease in a currency would have an impact of the same magnitude in the opposite direction.

Market risk

The risk as a result of changes in market prices is limited by diversifying the investments in the portfolio as much as possible by region and sector.

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Portfolio distribution by sector

(amounts x € 1)		2019		2018	
Sector	Amount	% of the NAV	Amount	% of the NAV	
Non-cyclical consumer goods	226,062,619	22.5	181,812,131	23.0	
Financial	218,342,695	21.8	162,376,679	20.6	
Industry	132,173,225	13.2	109,108,105	13.8	
Cyclical consumer goods	116,874,642	11.7	95,445,673	12.1	
Communication	99,918,992	10.0	83,008,687	10.5	
Technology	90,611,802	9.1	61,502,568	7.8	
Other sectors	114,201,684	11.4	96,592,263	12.2	
Total	998,185,659	99.7	789,846,106	100.0	

A 5% increase in the relevant sector, starting on the balance sheet date and applicable for every sector, would result in a profit increase for the reporting period as shown in the table below.

(amounts x € 1)		2019		2018	
Sector	Amount	% of the NAV	Amount	% of the NAV	
Non-cyclical consumer goods	11,303,131	1.1	9,090,607	1.2	
Financial	10,917,135	1.1	8,118,834	1.0	
Industry	6,608,661	0.7	5,455,405	0.7	
Cyclical consumer goods	5,843,732	0.6	4,772,284	0.6	
Communication	4,995,950	0.5	4,150,434	0.5	
Technology	4,530,590	0.5	3,075,128	0.4	

A 5% decrease in the sector would have an impact of the same magnitude in the opposite direction.

Portfolio distribution by country

(amounts x € 1)		2019		2018	
Country	Amount	% of the NAV	Amount	% of the NAV	
United States	383,381,427	38.2	317,427,879	40.2	
Japan	160,809,472	16.1	109,194,818	13.8	
United Kingdom	82,710,749	8.3	74,910,006	9.5	
France	78,135,374	7.8	64,570,963	8.2	
Germany	59,973,521	6.0	44,973,004	5.7	
Other countries	233,175,116	23.3	178,769,436	22.7	
Total	998,185,659	99.7	789,846,106	100.1	

A 5% increase due to specific political or economical circumstances in the relevant country, starting on the balance sheet date and applicable for every country, would result in a profit increase for the reporting period as shown in the table below.

(amounts x € 1)		2019		2018	
Country	Amount	% of the NAV	Amount	% of the NAV	
United States	19,169,071	1.9	15,871,394	2.0	
Japan	8,040,474	0.8	5,459,741	0.7	
United Kingdom	4,135,537	0.4	3,745,500	0.5	
France	3,906,769	0.4	3,228,548	0.4	
Germany	2,998,676	0.3	2,248,650	0.3	

A 5% decrease in a country would have an impact of the same magnitude in the opposite direction.

Interest rate risk

The Sub-fund does not invest in fixed-interest financial instruments and is consequently not exposed to significant interest rate risk.

Cash flow risk

Cash flow risk is the risk that future cash flows associated with a monetary financial instrument will fluctuate in size. The Sub-fund does not invest a significant part of the fund assets in monetary financial instruments with variable interest and is therefore not exposed to significant cash flow risk.

Credit risk

Credit risk is the risk that the contract party in a financial instrument will not satisfy its obligation, which means the Sub-fund will have to recognise a financial loss. The amount that best represents the maximum credit risk is € 12,772,181 (2018: € 1,727,236).

The Sub-fund does not invest in monetary financial instruments and is consequently not exposed to significant credit risk.

Liquidity risk

Liquidity risk, also called funding risk, is the risk that the legal entity will be unable to secure the financial resources needed to satisfy obligations under the financial instruments. Liquidity risk can arise, for instance, if a financial asset cannot be sold at virtually fair value in the short term.

Shares in the Sub-funds can be bought and sold on Euronext Amsterdam, whereby the Liquidity Provider ensures that there is both a bid and ask price at which the share can be traded. The Sub-fund's investments are likewise listed. Consequently the Sub-fund is not exposed to significant liquidity risk.

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8. Cost section**OCF (ongoing charges figure)**

The OCF is a measure of the ongoing costs charged to the Sub-fund during the reporting period. The following starting points are important for calculating the ongoing charges:

- The OCF shows the ratio of ongoing costs to average intrinsic value. The ongoing charges encompass all costs charged to the fund assets during the reporting period, with the exception of the spread applied for the entry and exit of shareholders, any performance fees and transaction costs of investments and interest charges on bank accounts. Performance fees must be presented separately, if applicable. No performance fee applies for the VanEck UCITS ETFs.
- The average intrinsic value is based on the intrinsic values on every day that the intrinsic value of the Sub-fund is determined during the reporting period.

(amounts x € 1.000)	2019	2018
Average intrinsic value	911,873,727	727,656,330
Total costs within the Sub-fund	1,509,286	1,231,488
OCF	0.16%	0.17%

Comparison of costs to prospectus over 2019 financial year

(amounts x € 1)	Amount	%	Prospectus
Total costs within the Sub-fund	1,509,286	0.16%	0.16%

The percentage is calculated with respect to the average assets as used for the OCF.

Portfolio Turnover ratio

The Portfolio Turnover ratio (PTR) gives an indication of the turnover rate of the Sub-fund's portfolio. This indicator gives an impression of the relative transaction costs involved in the differences in portfolio management.

The PTR is calculated as follows:

$$[(\text{Total 1} - \text{Total 2}) / X] * 100$$

Total 1: the total amount in securities transactions (securities purchases + securities sales)

Total 2: the total amount in transactions (issue + purchases) of participation rights in the investment institution

X: the average intrinsic value of the investment institution.

A PTR of 29.8% is calculated using this formula (2018: 25.9%). This means that in 2019, purchases and sales took place in the amount of 0.3 times the average intrinsic value of the Sub-fund. This amount has been corrected for the regular purchases and sales performed on account of subscriptions and redemptions.

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5.12 Financial statements as of 31 December

5.12.1. Balance sheet (before result appropriation)

(amounts x € 1)		2019	2018
ASSETS			
<u>Investments</u>			
Shares		4,275,610	6,805,182
Property shares		238,496,741	180,515,510
Investments	{1}	242,772,351	187,320,692
Cash and cash equivalents	{2}	353,520	201,446
Receivables	{3}	880,910	668,400
Total assets		244,006,781	188,190,538
Equity			
Issued capital		58,354	53,354
Share premium reserve		215,798,556	194,782,446
General reserve		(14,282,887)	(6,885,046)
Result		42,318,637	169,017
Total equity	{4}	243,892,660	188,119,771
LIABILITIES			
Other payables	{5}	114,121	70,767
Total liabilities		114,121	70,767
Total equity and liabilities		244,006,781	188,190,538

The numbers next to the items refer to the notes to the balance sheet and statement of comprehensive income. The notes form an integral part of the financial statements.

5.12.2. Statement of comprehensive income

(amounts x € 1)	2019	2018
Investment result		
Changes in the value of investments	34,476,872	(8,153,547)
Interest income	1,721	1,081
Interest expense	(5,793)	(10,024)
Dividend income	8,426,163	8,769,701
Foreign exchange differences	(19,695)	27,183
Total investment result	42,879,268	634,394
Management costs {8}	(558,060)	(460,642)
Transaction costs	(2,571)	(4,735)
Total expenses	(560,631)	(465,377)
Total result	42,318,637	169,017

The numbers next to the items refer to the notes to the balance sheet and statement of comprehensive income. The notes form an integral part of the financial statements.

5.12.3. Cash flow statement

(amounts x € 1)	2019	2018
Purchases of investments	(68,798,316)	(61,890,621)
Sales of investments	47,823,434	52,156,472
Interest paid or accrued interest purchased	(3,871)	(11,586)
Dividends received	8,213,452	8,749,852
Management costs paid	(546,690)	(460,128)
Other payments	(1,230)	(8,647)
Cash flow from operating activities	(13,313,221)	(1,464,658)
Issue of shares	46,803,835	42,274,900
Purchase of shares	(25,782,725)	(32,920,180)
Dividend distribution	(7,536,120)	(7,970,062)
Net cash flow from financing activities	13,484,990	1,384,658
Foreign exchange differences	(19,695)	27,183
Net cash flow	152,074	(52,817)
Cash and cash equivalents at beginning of the period	201,446	254,263
Cash and cash equivalents at end of the period	353,520	201,446

The notes form an integral part of the financial statements.

5.12.4. Statement of changes in equity

(amounts x € 1)	2019	2018
Capital		
Opening balance	53,354	50,854
Issue of shares	11,500	11,500
Purchase of shares	(6,500)	(9,000)
Closing balance	58,354	53,354
Share premium		
Opening balance	194,782,446	185,430,226
Issue of shares	46,792,335	42,263,400
Purchase of shares	(25,776,225)	(32,911,180)
Closing balance	215,798,556	194,782,446
General reserve		
Opening balance	(6,885,046)	7,603,123
Unappropriated result from previous financial year	169,017	(6,557,855)
Dividend distribution	(7,566,858)	(7,930,314)
Closing balance	(14,282,887)	(6,885,046)
Opening balance total	188,119,771	186,526,348
Issue of shares	46,803,835	42,274,900
Purchase of shares	(25,782,725)	(32,920,180)
Dividend distribution	(7,566,858)	(7,930,314)
Result	42,318,637	169,017
Closing balance total	243,892,660	188,119,771
Numbers of shares		
Opening balance	5,335,404	5,085,404
Issue of shares	1,150,000	1,150,000
Purchase of shares	(650,000)	(900,000)
Closing balance	5,835,404	5,335,404

5.12.5. Notes**Accounting policies**

For the accounting policies used for the financial statements, refer to the Company's accounting policies as set out in chapter 5.5.

Notes to the balance sheet and statement of comprehensive income**1. Investments****Summary of changes in the investments according to characteristic of financial instrument**

(amounts x € 1)	Shares	Property shares	Total 2019
Opening balance	6,805,182	180,515,510	187,320,692
Purchases of investments	1,318,173	67,480,048	68,798,221
Sales of investments	(3,603,867)	(44,219,567)	(47,823,434)
Changes in value	(243,878)	34,720,750	34,476,872
Total	4,275,610	238,496,741	242,772,351

Summary of changes in the investments according to characteristic of financial instrument

(amounts x € 1)	Shares	Property shares	Total 2018
Opening balance	7,005,089	178,734,906	185,739,995
Purchases of investments	2,236,092	59,654,624	61,890,716
Sales of investments	(1,503,828)	(50,652,644)	(52,156,472)
Changes in value	(932,171)	(7,221,376)	(8,153,547)
Total	6,805,182	180,515,510	187,320,692

The table below provides an analysis of the financial instruments valued at fair value, per valuation method.

Composition of investments according to valuation technique

(amounts x € 1)	2019	2018
Level 1	242,772,351	187,320,692
Total	242,772,351	187,320,692

All the investments of the Sub-fund are listed and therefore classified as level 1 investments.

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Composition of investments

(amounts x € 1)		2019	
	Currency	Market value	% of NAV
Shares			
Daiwa House Industry Co Ltd	JPY	4,275,610	1.8
Total shares		4,275,610	1.8
Property shares			
Prologis Inc	USD	12,304,972	5.0
Simon Property Group Inc	USD	10,077,923	4.1
Welltower Inc	USD	7,318,235	3.0
Public Storage Inc	USD	7,018,289	2.9
AvalonBay Communities Inc	USD	6,454,650	2.6
Equity Residential Inc	USD	6,132,258	2.5
Vonovia SE	EUR	5,971,824	2.4
Digital Realty Trust Inc	USD	5,512,734	2.3
Mitsubishi Estate Co Ltd	JPY	5,504,435	2.3
Realty Income Corp	USD	5,175,615	2.1
Other		167,025,806	68.5
Total property shares		238,496,741	97.7
Total investments		242,772,351	99.5

2. Cash and cash equivalents

At 31 December 2019 there are no restrictions on the use of the cash and cash equivalents.

3. Receivables

(amounts x € 1)		2019	2018
Interest receivable	-	-	2
Dividend receivable	878,465	878,465	665,754
Other receivables	2,445	2,445	2,644
Total		880,910	668,400

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4. Summary of changes in the assets under management

(amounts x € 1)	2019	2018
Opening balance	188,119,771	186,526,348
Issue of shares	46,803,835	42,274,900
Purchase of shares	(25,782,725)	(32,920,180)
Dividend distribution	(7,566,858)	(7,930,314)
Interest income	1,721	1,081
Interest expense	(5,793)	(10,024)
Dividend income	8,426,163	8,769,701
Changes in the value of investments	34,476,872	(8,153,547)
Management fee	(558,060)	(460,642)
Exchange rate differences	(19,695)	27,183
Other expenses	(2,571)	(4,735)
Closing balance	243,892,660	188,119,771

5. Other payables

(amounts x € 1)	2019	2018
Management costs payable	52,264	40,894
Dividend tax payable	57,255	26,517
Securities transactions still to be settled	-	95
Other short-term debts	4,602	3,261
Total	114,121	70,767

6. Affiliated parties

A party is an affiliated party if one party can exercise control over the other party or exert significant influence on the other party's financial and operational policy.

VanEck Asset Management B.V. is the Company's director according to the articles of association and acts as Manager of the Company.

The management costs include all costs relating to the management of a fund, such as the management fee, costs of the custodial bank and the payment office, the listing costs, auditor's fee, costs of the purchase and issue of shares, the costs of having the Sub-funds correspond to the relevant index and the administration costs. The management costs are deducted daily from the definitive Net Intrinsic Value of a share in a Sub-fund. The management costs for the period from 1 January 2019 to 31 December 2019 amount to € 558,060 (in 2018: € 460,642).

VanEck Vectors™ Global Real Estate UCITS ETF

7. Risks with regard to the financial instruments**Price risk**

In terms of price risk, a distinction can be made between:

- Currency risk, which is the risk that the value of a financial instrument will fluctuate as the result of changes in exchange rates;
- Market risk, which is the risk that the value of a financial instrument will fluctuate as the result of changes in market prices caused by factors that apply exclusively for the individual instrument or emitting party, or by factors that affect all instruments traded on the market;
- Interest rate risk, which is the risk that the value of a financial instrument will fluctuate as the result of changes in the market interest rate.

The notion of price risk encompasses not only the likelihood of losses, but also the likelihood of gains.

Currency risk

The fund has investments denominated in foreign currency and is therefore exposed to significant currency risk.

(amounts x € 1)		2019		2018	
Currency	Amount	% of the NAV	Amount	% of the NAV	
US dollar	140,230,263	57.5	103,696,470	55.2	
Japanese yen	32,254,967	13.2	25,425,649	13.5	
Euro	25,842,711	10.6	21,495,796	11.4	
Australian dollar	15,168,757	6.2	12,402,701	6.6	
Other currencies	30,395,962	12.5	25,099,155	13.3	
Total	243,892,660	100.0	188,119,771	100.0	

A 5% increase in the relevant currency, starting on the balance sheet date and applicable for every currency, would result in a profit increase for the reporting period as shown in the table below.

(amounts x € 1)		2019		2018	
Currency	Amount	% of the NAV	Amount	% of the NAV	
US Dollar	7,011,513	2.9	5,184,824	2.8	
Japanese yen	1,612,748	0.7	1,271,282	0.7	
Australian dollar	758,438	0.3	620,135	0.3	

A 5% decrease in a currency would have an impact of the same magnitude in the opposite direction.

VanEck Vectors™ Global Real Estate UCITS ETF

Market risk

The risk as a result of changes in market prices is limited by diversifying the investments in the portfolio as much as possible by region and sector.

Portfolio distribution by sector

(amounts x € 1)		2019		2018	
Sector	Amount	% of the NAV	Amount	% of the NAV	
Financial	236,580,565	97.0	180,534,328	96.0	
Other sector	6,191,786	2.5	6,786,364	3.6	
Total	242,772,351	99.5	187,320,692	99.6	

A 5% increase in the relevant sector, starting on the balance sheet date and applicable for every sector, would result in a profit increase for the reporting period as shown in the table below.

Portfolio distribution by country

(amounts x € 1)		2019		2018	
Country	Amount	% of the NAV	Amount	% of the NAV	
United States	138,591,540	56.8	101,977,244	54.3	
Japan	32,249,368	13.2	25,425,333	13.5	
Australia	15,162,347	6.2	12,395,501	6.6	
Germany	12,734,331	5.2	10,961,697	5.8	
Other countries	44,034,765	18.1	36,560,917	19.4	
Total	242,772,351	99.5	187,320,692	99.6	

A 5% increase due to specific political or economical circumstances in the relevant country, starting on the balance sheet date and applicable for every country, would result in a profit increase for the reporting period as shown in the table below.

(amounts x € 1)		2019		2018	
Country	Amount	% of the NAV	Amount	% of the NAV	
United states	6,929,577	2.8	5,098,862	2.7	
Japan	1,612,468	0.7	1,271,267	0.7	
Australia	758,117	0.3	619,775	0.3	
Germany	636,717	0.3	548,085	0.3	

A 5% decrease in a country would have an impact of the same magnitude in the opposite direction.

Interest rate risk

The Sub-fund does not invest in fixed-interest financial instruments and is consequently not exposed to significant interest rate risk.

VanEck Vectors™ Global Real Estate UCITS ETF

Cash flow risk

Cash flow risk is the risk that future cash flows associated with a monetary financial instrument will fluctuate in size. The Sub-fund does not invest a significant part of the fund assets in monetary financial instruments with variable interest and is therefore not exposed to significant cash flow risk.

Credit risk

Credit risk is the risk that the contract party in a financial instrument will not satisfy its obligation, which means the Sub-fund will have to recognise a financial loss. The amount that best represents the maximum credit risk is € 1,234,430 (2018: € 869,846).

The Sub-fund does not invest in monetary financial instruments and is consequently not exposed to significant credit risk.

Liquidity risk

Liquidity risk, also called funding risk, is the risk that the legal entity will be unable to secure the financial resources needed to satisfy obligations under the financial instruments. Liquidity risk can arise, for instance, if a financial asset cannot be sold at virtually fair value in the short term.

Shares in the Sub-funds can be bought and sold on Euronext Amsterdam, whereby the Liquidity Provider ensures that there is both a bid and ask price at which the share can be traded. The Sub-fund's investments are likewise listed. Consequently the Sub-fund is not exposed to significant liquidity risk.

8. Cost section**OCF (ongoing charges figure)**

The OCF is a measure of the ongoing costs charged to the Sub-fund during the reporting period. The following starting points are important for calculating the ongoing charges:

- The OCF shows the ratio of ongoing costs to average intrinsic value. The ongoing charges encompass all costs charged to the fund assets during the reporting period, with the exception of the spread applied for the entry and exit of shareholders, any performance fees and transaction costs of investments and interest charges on bank accounts. Performance fees must be presented separately, if applicable. No performance fee applies for the VanEck UCITS ETFs.
- The average intrinsic value is based on the intrinsic values on every day that the intrinsic value of the Sub-fund is determined during the reporting period.

(amounts x € 1.000)	2019	2018
Average intrinsic value	223,142,336	184,162,213
Total costs within the Sub-fund	558,060	460,642
OCF	0.25%	0.25%

Comparison of costs to prospectus over 2019 financial year

(amounts x € 1)	Amount	%	Prospectus
Total costs within the Sub-fund	558,060	0.25%	0.25%

The percentage is calculated with respect to the average assets as used for the OCF.

Portfolio Turnover ratio

The Portfolio Turnover ratio (PTR) gives an indication of the turnover rate of the Sub-fund's portfolio. This indicator gives an impression of the relative transaction costs involved in the differences in portfolio management.

The PTR is calculated as follows:

$$[(\text{Total 1} - \text{Total 2}) / X] * 100$$

Total 1: the total amount in securities transactions (securities purchases + securities sales)

Total 2: the total amount in transactions (issue + purchases) of participation rights in the investment institution

X: the average intrinsic value of the investment institution.

A PTR of 19.7% is calculated using this formula (2018: 21.1%). This means that in 2019, purchases and sales took place in the amount of 0.2 times the average intrinsic value of the Sub-fund. This amount has been corrected for the regular purchases and sales performed on account of subscriptions and redemptions.

VanEck Vectors™ ETFs N.V.

Series H

VanEck Vectors™ iBoxx EUR Corporates UCITS ETF

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5.13 Financial statements as of 31 December

5.13.1. Balance sheet (before result appropriation)

(amounts x € 1)		2019	2018
ASSETS			
<u>Investments</u>			
Bonds		36,758,630	69,890,366
Investments	{1}	36,758,630	69,890,366
Cash and cash equivalents	{2}	43,811	2,263,328
Receivables	{3}	235,013	814,141
Total assets		37,037,454	72,967,835
Equity			
Issued capital		19,784	39,784
Share premium reserve		26,393,415	61,987,749
General reserve		7,930,137	8,876,050
Result		2,679,641	(503,135)
Total equity	{4}	37,022,977	70,400,448
LIABILITIES			
Other payables	{5}	14,477	2,567,387
Total liabilities		14,477	2,567,387
Total equity and liabilities		37,037,454	72,967,835

The numbers next to the items refer to the notes to the balance sheet and statement of comprehensive income. The notes form an integral part of the financial statements.

5.13.2. Statement of comprehensive income

(amounts x € 1)	2019	2018
Investment result		
Changes in the value of investments	2,226,805	(1,074,903)
Interest income	518,382	652,745
Interest expense	(1,479)	(5,474)
Total investment result	2,743,708	(427,632)
Management costs {8}	(63,390)	(75,428)
Transaction costs	(677)	(75)
Total expenses	(64,067)	(75,503)
Total result	2,679,641	(503,135)

The numbers next to the items refer to the notes to the balance sheet and statement of comprehensive income. The notes form an integral part of the financial statements.

5.13.3. Cash flow statement

(amounts x € 1)	2019	2018
Purchases of investments	(38,415,196)	(116,446,039)
Sales of investments	71,268,849	90,232,112
Interest received	830,983	587,414
Interest paid or accrued interest purchased	265,048	(197,561)
Management costs paid	(68,861)	(71,164)
Other payments	(1,714)	(75)
Cash flow from operating activities	33,879,109	(25,895,313)
Issue of shares	16,457,561	98,031,848
Purchase of shares	(52,071,895)	(69,320,817)
Dividend distribution	(484,292)	(638,261)
Net cash flow from financing activities	(36,098,626)	28,072,770
Net cash flow	(2,219,517)	2,177,457
Cash and cash equivalents at beginning of the period	2,263,328	85,871
Cash and cash equivalents at end of the period	43,811	2,263,328

The notes form an integral part of the financial statements.

5.13.4. Statement of changes in equity

(amounts x € 1)	2019	2018
Capital		
Opening balance	39,784	23,634
Issue of shares	8,950	54,900
Purchase of shares	(28,950)	(38,750)
Closing balance	19,784	39,784
Share premium		
Opening balance	61,987,749	33,292,868
Issue of shares	16,448,611	97,976,948
Purchase of shares	(52,042,945)	(69,282,067)
Closing balance	26,393,415	61,987,749
General reserve		
Opening balance	8,876,050	9,135,768
Unappropriated result from previous financial year	(503,135)	367,428
Dividend distribution	(442,778)	(627,146)
Closing balance	7,930,137	8,876,050
Opening balance total	70,400,448	42,819,698
Issue of shares	16,457,561	98,031,848
Purchase of shares	(52,071,895)	(69,320,817)
Dividend distribution	(442,778)	(627,146)
Result	2,679,641	(503,135)
Closing balance total	37,022,977	70,400,448
Numbers of shares		
Opening balance	3,978,390	2,363,390
Issue of shares	895,000	5,490,000
Purchase of shares	(2,895,000)	(3,875,000)
Closing balance	1,978,390	3,978,390

5.13.5. Notes**Accounting policies**

For the accounting policies used for the financial statements, refer to the Company's accounting policies as set out in chapter 5.5.

Notes to the balance sheet and statement of comprehensive income**1. Investments****Summary of changes in the investments according to characteristic of financial instrument**

(amounts x € 1)	2019 Bonds
Opening balance	69,890,366
Purchases of investments	35,910,308
Sales of investments	(71,268,849)
Changes in value	2,226,805
Total	36,758,630

Summary of changes in the investments according to characteristic of financial instrument

(amounts x € 1)	2018 Bonds
Opening balance	42,524,067
Purchases of investments	118,950,927
Sales of investments	(90,509,725)
Changes in value	(1,074,903)
Total	69,890,366

The table below provides an analysis of the financial instruments valued at fair value, per valuation method.

Composition of investments according to valuation technique

(amounts x € 1)	2019	2018
Level 1	36,758,630	69,890,366
Total	36,758,630	69,890,366

All the investments of the Sub-fund are listed and therefore classified as level 1 investments.

VanEck Vectors™ iBoxx EUR Corporates UCITS ETF

Composition of investments

(amounts x € 1)	2019		
	Currency	Market value	% of NAV
Bonds			
ANHEUSER-BUSCH INBEV SA/ 1.15% 22/1/2027	EUR	1,579,443	4.4
DEUTSCHE TELEKOM INT FIN 0.625% 3/4/2023	EUR	1,391,363	3.9
IBM CORP 0.375% 31/1/2023	EUR	1,366,544	3.7
DH EUROPE FINANCE 0.75% 18/9/2031	EUR	1,321,898	3.6
JPMORGAN CHASE & CO 1.09% 11/3/2027	EUR	1,197,126	3.2
GOLDMAN SACHS GROUP INC 1.375% 15/5/2024	EUR	1,189,832	3.2
MORGAN STANLEY 1.875% 27/4/2027	EUR	1,175,342	3.2
DAIMLER INTL FINANCE BV 0.25% 9/8/2021	EUR	1,171,031	3.2
COOPERATIEVE RABOBANK UA 1.25% 23/3/2026	EUR	1,165,843	3.1
HSBC HOLDINGS PLC 1.5% 15/3/2022	EUR	1,165,749	3.1
CK HUTCHISON GROUP 0.375% 17/10/2023	EUR	1,127,226	3.0
DNB BANK ASA 0.05% 14/11/2023	EUR	1,121,513	3.0
AT&T INC 1.8% 5/9/2026	EUR	1,106,637	3.0
MEDTRONIC GLOBAL HLDINGS 1.125% 7/3/2027	EUR	1,044,742	2.8
CITIGROUP INC 1.5% 24/7/2026	EUR	1,031,838	2.8
FORD MOTOR CREDIT CO LLC 3.021% 6/3/2024	EUR	1,018,460	2.8
BMW FINANCE NV 0.375% 10/7/2023	EUR	959,574	2.6
ALTRIA GROUP INC 1% 15/2/2023	EUR	957,504	2.6
ABN AMRO BANK NV 0.875% 15/1/2024	EUR	927,464	2.5
TORONTO-DOMINION BANK 0.625% 20/7/2023	EUR	926,672	2.5
CREDIT SUISSE GROUP AG 1.25% 17/7/2025	EUR	889,952	2.4
VOLKSWAGEN FIN SERV AG 0.625% 1/4/2022	EUR	887,140	2.4
ROYAL BK SCOTLND GRP PLC 1.75% 2/3/2026	EUR	881,540	2.4
OMV AG 1% 14/12/2026	EUR	819,327	2.2
COMMERZBANK AG 1% 4/3/2026	EUR	783,735	2.1
BASF SE 0.875% 15/11/2027	EUR	774,706	2.1
SIEMENS FINANCIERINGSMAT 1.375% 6/9/2030	EUR	749,702	2.0
BNP PARIBAS 1.125% 15/1/2023	EUR	707,273	1.9
INNOGY FINANCE BV 1.25% 19/10/2027	EUR	671,975	1.8
BANK OF AMERICA CORP 0.58% 8/8/2029	EUR	645,953	1.7
NATIONAL AUSTRALIA BANK 1.25% 18/5/2026	EUR	635,026	1.7
E.ON SE 0.35% 28/2/2030	EUR	625,433	1.7
SCHAEFFLER AG 1.875% 26/3/2024	EUR	624,982	1.7
DEUTSCHE POST AG 1.625% 5/12/2028	EUR	605,333	1.6
NESTLE FINANCE INTL LTD 1.75% 2/11/2037	EUR	602,463	1.6
HEIDELBERGCEMENT FIN LUX 1.75% 24/4/2028	EUR	595,735	1.6
RCI BANQUE SA 1.625% 26/5/2026	EUR	590,831	1.6
DEUTSCHE BANK AG 1.125% 30/8/2023	EUR	588,930	1.6
LINDE FINANCE BV 1% 20/4/2028	EUR	571,024	1.5
KNORR-BREMSE AG 1.125% 13/6/2025	EUR	561,769	1.5
Total bonds		36,758,630	99.3
Total investments		36,758,630	99.3

2. Cash and cash equivalents

At 31 December 2019 there are no restrictions on the use of the cash and cash equivalents.

3. Receivables

(amounts x € 1)	2019	2018
Accrued interest on bonds	235,013	536,528
Other receivables	-	277,613
Total	235,013	814,141

4. Summary of changes in the assets under management

(amounts x € 1)	2019	2018
Opening balance	70,400,448	42,819,698
Issue of shares	16,457,561	98,031,848
Purchase of shares	(52,071,895)	(69,320,817)
Dividend distribution	(442,778)	(627,146)
Interest income	518,382	652,745
Interest expense	(1,479)	(5,474)
Changes in the value of investments	2,226,805	(1,074,903)
Management fee	(63,390)	(75,428)
Other expenses	(677)	(75)
Closing balance	37,022,977	70,400,448

5. Other payables

(amounts x € 1)	2019	2018
Management costs payable	4,861	10,332
Dividend tax payable	8,741	50,255
Securities transactions still to be settled	-	2,504,888
Other short-term debts	875	1,912
Total	14,477	2,567,387

6. Affiliated parties

A party is an affiliated party if one party can exercise control over the other party or exert significant influence on the other party's financial and operational policy.

VanEck Asset Management B.V. is the Company's director according to the articles of association and acts as Manager of the Company.

The management costs include all costs relating to the management of a fund, such as the management fee, costs of the custodial bank and the payment office, the listing costs, auditor's fee, costs of the purchase and issue of shares, the costs of having the Sub-funds correspond to the relevant index and the administration costs. The management costs are deducted daily from the definitive Net Intrinsic Value of a share in a Sub-fund. The management costs for the period from 1 January 2019 to 31 December 2019 amount to € 63,390 (in 2018: € 75,428).

VanEck Vectors™ iBoxx EUR Corporates UCITS ETF

7. Risks with regard to the financial instruments

Price risk

In terms of price risk, a distinction can be made between:

- Currency risk, which is the risk that the value of a financial instrument will fluctuate as the result of changes in exchange rates;
- Market risk, which is the risk that the value of a financial instrument will fluctuate as the result of changes in market prices caused by factors that apply exclusively for the individual instrument or emitting party, or by factors that affect all instruments traded on the market;
- Interest rate risk, which is the risk that the value of a financial instrument will fluctuate as the result of changes in the market interest rate.

The notion of price risk encompasses not only the likelihood of losses, but also the likelihood of gains.

Market risk

The risk as a result of changes in market prices is limited by diversifying the investments in the portfolio as much as possible by region and sector.

Portfolio distribution by sector

(amounts x € 1)		2019		2018	
Sector	Amount	% of the NAV	Amount	% of the NAV	
Financial	15,033,787	40.6	30,034,637	42.8	
Cyclical consumer goods	5,813,787	15.7	9,461,670	13.4	
Non-cyclical consumer goods	5,506,050	14.9	5,144,671	7.3	
Communication	3,625,227	9.8	11,563,755	16.4	
Industry	1,950,770	5.3	2,536,059	3.6	
Other sectors	4,829,009	13.0	11,149,574	15.8	
Total	36,758,630	99.3	69,890,366	99.3	

A 5% increase in the relevant sector, starting on the balance sheet date and applicable for every sector, would result in a profit increase for the reporting period as shown in the table below.

(amounts x € 1)		2019		2018	
Sector	Amount	% of the NAV	Amount	% of the NAV	
Financial	751,689	2.0	1,501,732	2.1	
Cyclical consumer goods	290,689	0.8	473,084	0.7	
Non-cyclical consumer goods	275,303	0.7	257,234	0.4	
Communication	181,261	0.5	578,188	0.8	
Industry	97,539	0.3	126,803	0.2	

A 5% decrease in the sector would have an impact of the same magnitude in the opposite direction.

VanEck Vectors™ iBoxx EUR Corporates UCITS ETF

Portfolio distribution by country

(amounts x € 1)		2019		2018	
Country	Amount	% of the NAV	Amount	% of the NAV	
United States	9,043,284	24.5	16,080,863	22.9	
Netherlands	7,607,976	20.5	15,909,345	22.6	
Germany	5,452,028	14.7	7,612,873	10.8	
United Kingdom	2,047,288	5.5	7,038,985	10.0	
Other countries	12,608,054	34.1	23,248,300	33.0	
Total	36,758,630	99.3	69,890,366	99.3	

A 5% increase due to specific political or economical circumstances in the relevant country, starting on the balance sheet date and applicable for every country, would result in a profit increase for the reporting period as shown in the table below.

(amounts x € 1)		2019		2018	
Country	Amount	% of the NAV	Amount	% of the NAV	
United States	452,164	1.2	804,043	1.1	
Germany	272,601	0.7	380,644	0.5	
United Kingdom	102,364	0.3	351,949	0.5	

A 5% decrease in a country would have an impact of the same magnitude in the opposite direction.

Interest rate risk

The Sub-fund invests in fixed-interest financial instruments and is consequently exposed to interest rate risk.

(amounts x € 1)		<= 1 year	<= 5 years	> 5 years	Not interest bearing	Total 2019
Assets						
Investments	-	17,582,979	19,175,651	-	-	36,758,630
Cash and cash equivalents	43,811	-	-	-	-	43,811
Receivables	-	-	-	-	235,013	235,013
Total assets	43,811	17,582,979	19,175,651	235,013		37,037,454
Liabilities						
Other payables	-	-	-	-	14,477	14,477
Equity						
Shares	-	-	-	-	37,022,977	37,022,977
Total equity and liabilities	-	-	-	-	37,037,454	37,037,454
Total	43,811	17,582,979	19,175,651	(36,802,441)		-

VanEck Vectors™ iBoxx EUR Corporates UCITS ETF

(amounts x € 1)	<= 1 year	<= 5 years	> 5 years	Not interest bearing	Total 2018
Assets					
Investments	-	22,754,264	47,136,102	-	69,890,366
Cash and cash equivalents	2,263,328	-	-	-	2,263,328
Receivables	-	-	-	814,141	814,141
Total assets	2,263,328	22,754,264	47,136,102	814,141	72,967,835
Liabilities					
Other payables	-	-	-	2,567,387	2,567,387
Equity					
Shares	-	-	-	70,400,448	70,400,448
Total equity and liabilities	-	-	-	72,967,835	72,967,835
Total	2,263,328	22,754,264	47,136,102	(72,153,694)	-

All other variables remaining the same, a 100-basis point decline in the interest rates effective as of the balance sheet date would result in a € 1,990,419 increase in the profit for the reporting period (2018: € 4,156,995). A 100-basis point rise in the interest rates effective as of the balance sheet date would result in a € 1,990,419 decrease in the profit for the reporting period.

Cash flow risk

Cash flow risk is the risk that future cash flows associated with a monetary financial instrument will fluctuate in size. The Sub-fund does not invest a significant part of the fund assets in monetary financial instruments with variable interest and is therefore not exposed to significant cash flow risk.

Credit risk

Credit risk is the risk that the contract party in a financial instrument will not satisfy its obligation, which means the Sub-fund will have to recognise a financial loss. The amount that best represents the maximum credit risk is € 37,037,454 (2018: € 72,967,835).

The Sub-fund invests in monetary financial instruments and is consequently exposed to significant credit risk. The table below shows the concentrations of credit risk of the investments in bonds.

(amounts x € 1)	2019		2018	
Credit rating	Amount	% of the NAV	Amount	% of the NAV
AA	3,285,674	8.9	5,513,938	7.8
A	19,245,461	52.0	29,498,997	41.9
BBB	14,227,495	38.4	33,998,263	48.4
BB	-	-	879,168	1.2
Total	36,758,630	99.3	69,890,366	99.3

Liquidity risk

Liquidity risk, also called funding risk, is the risk that the legal entity will be unable to secure the financial resources needed to satisfy obligations under the financial instruments. Liquidity risk can arise, for instance, if a financial asset cannot be sold at virtually fair value in the short term.

VanEck Vectors™ iBoxx EUR Corporates UCITS ETF

Shares in the Sub-funds can be bought and sold on Euronext Amsterdam, whereby the Liquidity Provider ensures that there is both a bid and ask price at which the share can be traded. The Sub-fund's investments are likewise listed. Consequently the Sub-fund is not exposed to significant liquidity risk.

8. Cost section

OCF (ongoing charges figure)

The OCF is a measure of the ongoing costs charged to the Sub-fund during the reporting period. The following starting points are important for calculating the ongoing charges:

- The OCF shows the ratio of ongoing costs to average intrinsic value. The ongoing charges encompass all costs charged to the fund assets during the reporting period, with the exception of the spread applied for the entry and exit of shareholders, any performance fees and transaction costs of investments and interest charges on bank accounts. Performance fees must be presented separately, if applicable. No performance fee applies for the VanEck UCITS ETFs.
- The average intrinsic value is based on the intrinsic values on every day that the intrinsic value of the Sub-fund is determined during the reporting period.

(amounts x € 1.000)	2019	2018
Average intrinsic value	40,715,653	50,186,289
Total costs within the Sub-fund	63,390	75,503
OCF	0.15%	0.15%

Comparison of costs to prospectus over 2019 financial year

(amounts x € 1)	Amount	%	Prospectus
Total costs within the Sub-fund	63,390	0.15%	0.15%

The percentage is calculated with respect to the average assets as used for the OCF.

Portfolio Turnover ratio

The Portfolio Turnover ratio (PTR) gives an indication of the turnover rate of the Sub-fund's portfolio. This indicator gives an impression of the relative transaction costs involved in the differences in portfolio management.

The PTR is calculated as follows:

$$[(\text{Total 1} - \text{Total 2}) / X] * 100$$

Total 1: the total amount in securities transactions (securities purchases + securities sales)

Total 2: the total amount in transactions (issue + purchases) of participation rights in the investment institution

X: the average intrinsic value of the investment institution.

A PTR of 96.4% is calculated using this formula (2018: 86.4%). This means that in 2019, purchases and sales took place in the amount of 1.0 times the average intrinsic value of the Sub-fund. This amount has been corrected for the regular purchases and sales performed on account of subscriptions and redemptions.

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Series I

VanEck Vectors™ iBoxx EUR Sovereign Diversified 1-10 UCITS ETF

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5.14 Financial statements as of 31 December

5.14.1. Balance sheet (before result appropriation)

(amounts x € 1)		2019	2018
ASSETS			
<u>Investments</u>			
Bonds		32,766,308	136,346,950
Investments	{1}	32,766,308	136,346,950
Cash and cash equivalents	{2}	69,076	28,855
Receivables	{3}	116,756	446,483
Total assets		32,952,140	136,822,288
Equity			
Issued capital		22,915	99,615
Share premium reserve		(8,845,163)	97,007,614
General reserve		39,470,148	35,730,863
Result		2,296,362	3,847,612
Total equity	{4}	32,944,262	136,685,704
LIABILITIES			
Other payables	{5}	7,878	136,584
Total liabilities		7,878	136,584
Total equity and liabilities		32,952,140	136,822,288

The numbers next to the items refer to the notes to the balance sheet and statement of comprehensive income. The notes form an integral part of the financial statements.

5.14.2. Statement of comprehensive income

(amounts x € 1)	2019	2018
Investment result		
Changes in the value of investments	1,985,564	3,193,427
Interest income	374,531	775,600
Interest expense	(785)	(4,619)
Total investment result	2,359,310	3,964,408
Management costs {8}	(62,632)	(116,232)
Transaction costs	(316)	(564)
Total expenses	(62,948)	(116,796)
Total result	2,296,362	3,847,612

The numbers next to the items refer to the notes to the balance sheet and statement of comprehensive income. The notes form an integral part of the financial statements.

5.14.3. Cash flow statement

(amounts x € 1)	2019	2018
Purchases of investments	(29,747,028)	(319,873,325)
Sales of investments	135,313,234	240,505,091
Interest received	283,079	787,982
Interest paid or accrued interest purchased	420,394	(217,162)
Management costs paid	(78,569)	(104,508)
Other payments	(3,162)	-
Cash flow from operating activities	106,187,948	(78,901,922)
Issue of shares	13,179,004	283,429,764
Purchase of shares	(119,108,481)	(203,358,250)
Dividend distribution	(218,250)	(1,163,378)
Net cash flow from financing activities	(106,147,727)	78,908,136
Net cash flow	40,221	6,214
Cash and cash equivalents at beginning of the period	28,855	22,641
Cash and cash equivalents at end of the period	69,076	28,855

The notes form an integral part of the financial statements.

5.14.4. Statement of changes in equity

(amounts x € 1)	2019	2018
Capital		
Opening balance	99,615	39,165
Issue of shares	7,400	208,650
Purchase of shares	(84,100)	(148,200)
Closing balance	22,915	99,615
Share premium		
Opening balance	97,007,614	16,996,550
Issue of shares	13,171,604	283,221,114
Purchase of shares	(119,024,381)	(203,210,050)
Closing balance	(8,845,163)	97,007,614
General reserve		
Opening balance	35,730,863	38,041,686
Unappropriated result from previous financial year	3,847,612	(1,106,516)
Dividend distribution	(108,327)	(1,204,307)
Closing balance	39,470,148	35,730,863
Opening balance total	136,685,704	53,970,885
Issue of shares	13,179,004	283,429,764
Purchase of shares	(119,108,481)	(203,358,250)
Dividend distribution	(108,327)	(1,204,307)
Result	2,296,362	3,847,612
Closing balance total	32,944,262	136,685,704
Numbers of shares		
Opening balance	9,961,537	3,916,537
Issue of shares	740,000	20,865,000
Purchase of shares	(8,410,000)	(14,820,000)
Closing balance	2,291,537	9,961,537

5.14.5. Notes**Accounting policies**

For the accounting policies used for the financial statements, refer to the Company's accounting policies as set out in chapter 5.5.

Notes to the balance sheet and statement of comprehensive income**1. Investments****Summary of changes in the investments according to characteristic of financial instrument**

(amounts x € 1)	2019 Bonds
Opening balance	136,346,950
Purchases of investments	29,747,028
Sales of investments	(135,313,234)
Changes in value	1,985,564
Total	32,766,308

Summary of changes in the investments according to characteristic of financial instrument

(amounts x € 1)	2018 Bonds
Opening balance	53,785,289
Purchases of investments	319,873,325
Sales of investments	(240,505,091)
Changes in value	3,193,427
Total	136,346,950

The table below provides an analysis of the financial instruments valued at fair value, per valuation method.

Composition of investments according to valuation technique

(amounts x € 1)	2019	2018
Level 1	32,766,308	136,346,950
Total	32,766,308	136,346,950

All the investments of the Sub-fund are listed and therefore classified as level 1 investments.

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Composition of investments

(amounts x € 1)	2019		
	Currency	Market value	% of NAV
Bonds			
BUNDESREPUB. DEUTSCHLAND 0.5% 15/8/2027	EUR	1,680,454	5.2
BUNDESREPUB. DEUTSCHLAND 0.5% 15/2/2026	EUR	1,665,998	5.1
FRANCE (GOVT OF) 0.75% 25/11/2028	EUR	1,659,179	5.0
FRANCE (GOVT OF) 0.5% 25/5/2026	EUR	1,652,011	5.0
FRANCE (GOVT OF) 0.5% 25/5/2029	EUR	1,635,393	5.0
BUNDESREPUB. DEUTSCHLAND 0.25% 15/2/2027	EUR	1,612,684	4.9
BUNDESREPUB. DEUTSCHLAND 0% 15/8/2026	EUR	1,597,904	4.9
FRANCE (GOVT OF) 0.75% 25/5/2028	EUR	1,597,572	4.8
BUONI POLIENNALI DEL TES 2% 1/2/2028	EUR	1,556,607	4.7
BONOS Y OBLIG DEL ESTADO 1.3% 31/10/2026	EUR	1,542,329	4.7
BONOS Y OBLIG DEL ESTADO 1.45% 30/4/2029	EUR	1,519,106	4.6
BONOS Y OBLIG DEL ESTADO 1.45% 31/10/2027	EUR	1,467,817	4.5
BUONI POLIENNALI DEL TES 3% 1/8/2029	EUR	1,416,713	4.3
BUONI POLIENNALI DEL TES 2.8% 1/12/2028	EUR	1,267,467	3.8
BUONI POLIENNALI DEL TES 2.05% 1/8/2027	EUR	1,266,777	3.8
BONOS Y OBLIG DEL ESTADO 0.75% 30/7/2021	EUR	1,262,362	3.8
BELGIUM KINGDOM 1% 22/6/2026	EUR	1,039,962	3.2
NETHERLANDS GOVERNMENT 0.75% 15/7/2027	EUR	1,005,158	3.1
NETHERLANDS GOVERNMENT 0.5% 15/7/2026	EUR	994,866	3.0
NETHERLANDS GOVERNMENT 0% 15/1/2022	EUR	985,732	3.0
BELGIUM KINGDOM 0.8% 22/6/2028	EUR	934,510	2.8
NETHERLANDS GOVERNMENT 0% 15/1/2024	EUR	919,167	2.8
BELGIUM KINGDOM 0.9% 22/6/2029	EUR	881,709	2.7
BELGIUM KINGDOM 0.8% 22/6/2027	EUR	869,350	2.6
REPUBLIC OF AUSTRIA 0.75% 20/10/2026	EUR	735,481	2.2
Total bonds		32,766,308	99.5
Total investments		32,766,308	99.5

2. Cash and cash equivalents

At 31 December 2019 there are no restrictions on the use of the cash and cash equivalents.

3. Receivables

(amounts x € 1)	2019	2018
Accrued interest on bonds	116,756	446,483
Total	116,756	446,483

4. Summary of changes in the assets under management

(amounts x € 1)	2019	2018
Opening balance	136,685,704	53,970,885
Issue of shares	13,179,004	283,429,764
Purchase of shares	(119,108,481)	(203,358,250)
Dividend distribution	(108,327)	(1,204,307)
Interest income	374,531	775,600
Interest expense	(785)	(4,619)
Changes in the value of investments	1,985,564	3,193,427
Management fee	(62,632)	(116,232)
Other expenses	(316)	(564)
Closing balance	32,944,262	136,685,704

5. Other payables

(amounts x € 1)	2019	2018
Management costs payable	4,322	20,259
Dividend tax payable	2,940	112,863
Other short-term debts	616	3,462
Total	7,878	136,584

6. Affiliated parties

A party is an affiliated party if one party can exercise control over the other party or exert significant influence on the other party's financial and operational policy.

VanEck Asset Management B.V. is the Company's director according to the articles of association and acts as Manager of the Company.

The management costs include all costs relating to the management of a fund, such as the management fee, costs of the custodial bank and the payment office, the listing costs, auditor's fee, costs of the purchase and issue of shares, the costs of having the Sub-funds correspond to the relevant index and the administration costs. The management costs are deducted daily from the definitive Net Intrinsic Value of a share in a Sub-fund. The management costs for the period from 1 January 2019 to 31 December 2019 amount to € 62,632 (in 2018: € 116,232).

7. Risks with regard to the financial instruments**Price risk**

In terms of price risk, a distinction can be made between:

- Currency risk, which is the risk that the value of a financial instrument will fluctuate as the result of changes in exchange rates;
- Market risk, which is the risk that the value of a financial instrument will fluctuate as the result of changes in market prices caused by factors that apply exclusively for the individual instrument or emitting party, or by factors that affect all instruments traded on the market;
- Interest rate risk, which is the risk that the value of a financial instrument will fluctuate as the result of changes in the market interest rate.

The notion of price risk encompasses not only the likelihood of losses, but also the likelihood of gains.

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Currency risk

The Sub-fund only has euro investments and is consequently not exposed to significant currency risk.

Market risk

The risk as a result of changes in market prices is limited by diversifying the investments in the portfolio as much as possible by region and sector.

Portfolio distribution by country

(amounts x € 1)		2019		2018	
Country	Amount	% of the NAV	Amount	% of the NAV	
Germany	6,557,039	19.9	27,231,774	19.9	
France	6,544,155	19.9	26,968,630	19.7	
Spain	5,791,614	17.6	24,971,043	18.3	
Italy	5,507,564	16.7	20,336,581	14.9	
Netherlands	3,904,923	11.9	17,019,143	12.5	
Belgium	3,725,531	11.3	16,048,334	11.7	
Other countries	735,482	2.2	3,771,445	2.8	
Total	32,766,308	99.5	136,346,950	99.8	

A 5% increase due to specific political or economical circumstances in the relevant country, starting on the balance sheet date and applicable for every country, would result in a profit increase for the reporting period as shown in the table below.

(amounts x € 1)		2019		2018	
Country	Amount	% of the NAV	Amount	% of the NAV	
Germany	327,852	1.0	1,361,589	1.0	
France	327,208	1.0	1,348,432	1.0	
Spain	289,581	0.9	1,248,552	0.9	
Italy	275,378	0.8	1,016,829	0.7	
Netherlands	195,246	0.6	850,957	0.6	
Belgium	186,277	0.6	802,417	0.6	

A 5% decrease in a country would have an impact of the same magnitude in the opposite direction.

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Interest rate risk

The Sub-fund invests in fixed-interest financial instruments and is consequently exposed to interest rate risk.

(amounts x € 1)	<= 1 year	<= 5 years	> 5 years	Not interest bearing	Total 2019
Assets					
Investments	-	3,167,262	29,599,046	-	32,766,308
Cash and cash equivalents	69,076	-	-	-	69,076
receivables	-	-	-	116,756	116,756
Total assets	69,076	3,167,262	29,599,046	116,756	32,952,140
Liabilities					
Other payables	-	-	-	7,878	7,878
Equity					
Shares	-	-	-	32,944,262	32,944,262
Total equity and liabilities	-	-	-	32,952,140	32,952,140
Total	69,076	3,167,262	29,599,046	(32,835,384)	-

(amounts x € 1)	<= 1 year	<= 5 years	> 5 years	Not interest bearing	Total 2018
Assets					
Investments	-	14,551,717	121,795,233	-	136,346,950
Cash and cash equivalents	28,855	-	-	-	28,855
receivables	-	-	-	446,483	446,483
Total assets	28,855	14,551,717	121,795,233	446,483	136,822,288
Liabilities					
Other payables	-	-	-	136,584	136,584
Equity					
Shares	-	-	-	136,685,704	136,685,704
Total equity and liabilities	-	-	-	136,822,288	136,822,288
Total	28,855	14,551,717	121,795,233	(136,375,805)	-

All other variables remaining the same, a 100-basis point decline in the interest rates effective as of the balance sheet date would result in a € 2,296,550 increase in the profit for the reporting period (2018: € 9,369,849). A 100-basis point rise in the interest rates effective as of the balance sheet date would result in a € 2,296,550 decrease in the profit for the reporting period.

Cash flow risk

Cash flow risk is the risk that future cash flows associated with a monetary financial instrument will fluctuate in size. The Sub-fund does not invest a significant part of the fund assets in monetary financial instruments with variable interest and is therefore not exposed to significant cash flow risk.

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Credit risk

Credit risk is the risk that the contract party in a financial instrument will not satisfy its obligation, which means the Sub-fund will have to recognise a financial loss. The amount that best represents the maximum credit risk is € 32,952,140 (2018: € 136,822,288).

The Sub-fund invests in monetary financial instruments and is consequently exposed to significant credit risk. The table below shows the concentrations of credit risk of the investments in bonds.

(amounts x € 1)		2019		2018	
Credit rating	Amount	% of the NAV	Amount	% of the NAV	
AAA	10,461,963	31.8	44,250,917	32.4	
AA	11,005,167	33.4	43,016,964	31.5	
A	5,791,614	17.6	24,971,043	18.3	
BBB	5,507,564	16.7	24,108,026	17.6	
Total	32,766,308	99.5	136,346,950	99.8	

Liquidity risk

Liquidity risk, also called funding risk, is the risk that the legal entity will be unable to secure the financial resources needed to satisfy obligations under the financial instruments. Liquidity risk can arise, for instance, if a financial asset cannot be sold at virtually fair value in the short term.

Shares in the Sub-funds can be bought and sold on Euronext Amsterdam, whereby the Liquidity Provider ensures that there is both a bid and ask price at which the share can be traded. The Sub-fund's investments are likewise listed. Consequently the Sub-fund is not exposed to significant liquidity risk.

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8. Cost section**OCF (ongoing charges figure)**

The OCF is a measure of the ongoing costs charged to the Sub-fund during the reporting period. The following starting points are important for calculating the ongoing charges:

- The OCF shows the ratio of ongoing costs to average intrinsic value. The ongoing charges encompass all costs charged to the fund assets during the reporting period, with the exception of the spread applied for the entry and exit of shareholders, any performance fees and transaction costs of investments and interest charges on bank accounts. Performance fees must be presented separately, if applicable. No performance fee applies for the VanEck UCITS ETFs.
- The average intrinsic value is based on the intrinsic values on every day that the intrinsic value of the Sub-fund is determined during the reporting period.

(amounts x € 1.000)	2019	2018
Average intrinsic value	41,927,210	76,246,247
Total costs within the Sub-fund	62,632	116,232
OCF	0.15%	0.15%

Comparison of costs to prospectus over 2019 financial year

(amounts x € 1)	Amount	%	Prospectus
Total costs within the Sub-fund	62,632	0.15%	0.15%

The percentage is calculated with respect to the average assets as used for the OCF.

Portfolio Turnover ratio

The Portfolio Turnover ratio (PTR) gives an indication of the turnover rate of the Sub-fund's portfolio. This indicator gives an impression of the relative transaction costs involved in the differences in portfolio management.

The PTR is calculated as follows:

$$[(\text{Total 1} - \text{Total 2}) / X] * 100$$

Total 1: the total amount in securities transactions (securities purchases + securities sales)

Total 2: the total amount in transactions (issue + purchases) of participation rights in the investment institution

X: the average intrinsic value of the investment institution.

A PTR of 79.7% is calculated using this formula (2018: 99.8%). This means that in 2019, purchases and sales took place in the amount of 0.8 times the average intrinsic value of the Sub-fund. This amount has been corrected for the regular purchases and sales performed on account of subscriptions and redemptions.

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5.15 Financial statements as of 31 December

5.15.1. Balance sheet (before result appropriation)

(amounts x € 1)		2019	2018
ASSETS			
<u>Investments</u>			
Bonds		153,341,914	169,139,714
Investments	{1}	153,341,914	169,139,714
Cash and cash equivalents	{2}	323,685	487,282
Receivables	{3}	1,538,129	1,812,029
Total assets		155,203,728	171,439,025
Equity			
Issued capital		72,210	77,610
Share premium reserve		185,979,934	198,082,832
General reserve		(30,814,887)	(27,246,056)
Result		(349,143)	71,109
Total equity	{4}	154,888,114	170,985,495
LIABILITIES			
Other payables	{5}	315,614	453,530
Total liabilities		315,614	453,530
Total equity and liabilities		155,203,728	171,439,025

The numbers next to the items refer to the notes to the balance sheet and statement of comprehensive income. The notes form an integral part of the financial statements.

5.15.2. Statement of comprehensive income

(amounts x € 1)	2019	2018
Investment result		
Changes in the value of investments	(3,852,280)	(4,139,813)
Interest income	3,727,258	4,461,587
Interest expense	(6,466)	(7,208)
Total investment result	(131,488)	314,566
Management costs {8}	(217,356)	(243,174)
Transactions costs	(299)	(283)
Total expenses	(217,655)	(243,457)
Total result	(349,143)	71,109

The numbers next to the items refer to the notes to the balance sheet and statement of comprehensive income. The notes form an integral part of the financial statements.

5.15.3. Cash flow statement

(amounts x € 1)	2019	2018
Purchases of investments	(102,589,047)	(149,943,084)
Sales of investments	114,534,568	145,757,594
Interest received	3,822,563	4,661,482
Interest paid or accrued interest purchased	172,129	(28,498)
Management costs paid	(220,065)	(243,251)
Cash flow from operating activities	15,720,148	204,243
Issue of shares	36,979,188	94,833,418
Purchase of shares	(49,087,486)	(89,569,356)
Dividend distribution	(3,775,447)	(5,282,576)
Net cash flow from financing activities	(15,883,745)	(18,514)
Net cash flow	(163,597)	185,729
Cash and cash equivalents at beginning of the period	487,282	301,553
Cash and cash equivalents at end of the period	323,685	487,282

The notes form an integral part of the financial statements.

5.15.4. Statement of changes in equity

(amounts x € 1)	2019	2018
Capital		
Opening balance	77,610	75,060
Issue of shares	16,900	42,350
Purchase of shares	(22,300)	(39,800)
Closing balance	72,210	77,610
Share premium		
Opening balance	198,082,832	192,821,320
Issue of shares	36,962,288	94,791,068
Purchase of shares	(49,065,186)	(89,529,556)
Closing balance	185,979,934	198,082,832
General reserve		
Opening balance	(27,246,056)	(19,898,160)
Unappropriated result from previous financial year	71,109	(2,022,206)
Dividend distribution	(3,639,940)	(5,325,690)
Closing balance	(30,814,887)	(27,246,056)
Opening balance total	170,985,495	170,976,014
Issue of shares	36,979,188	94,833,418
Purchase of shares	(49,087,486)	(89,569,356)
Dividend distribution	(3,639,940)	(5,325,690)
Result	(349,143)	71,109
Closing balance total	154,888,114	170,985,495
Numbers of shares		
Opening balance	7,761,000	7,506,000
Issue of shares	1,690,000	4,235,000
Purchase of shares	(2,230,000)	(3,980,000)
Closing balance	7,221,000	7,761,000

5.15.5. Notes**Accounting policies**

For the accounting policies used for the financial statements, refer to the Company's accounting policies as set out in chapter 5.5.

Notes to the balance sheet and statement of comprehensive income**1. Investments****Summary of changes in the investments according to characteristic of financial instrument**

(amounts x € 1)	2019 Bonds
Opening balance	169,139,714
Purchases of investments	102,589,048
Sales of investments	(114,534,568)
Changes in value	(3,852,280)
Total	153,341,914

Summary of changes in the investments according to characteristic of financial instrument

(amounts x € 1)	2018 Bonds
Opening balance	169,094,037
Purchases of investments	149,943,084
Sales of investments	(145,757,594)
Changes in value	(4,139,813)
Total	169,139,714

The table below provides an analysis of the financial instruments valued at fair value, per valuation method.

Composition of investments according to valuation technique

(amounts x € 1)	2019	2018
Level 1	153,341,914	169,139,714
Total	153,341,914	169,139,714

All the investments of the Sub-fund are listed and therefore classified as level 1 investments.

Composition of investments

(amounts x € 1)	2019		
	Currency	Market value	% of NAV
Bonds			
FRANCE (GOVT OF) 4.25% 25/10/2023	EUR	16,450,628	10.5
FRANCE (GOVT OF) 3% 25/4/2022	EUR	15,629,133	10.1
FRANCE (GOVT OF) 1.75% 25/5/2023	EUR	13,857,675	8.9
BUNDESREPUB. DEUTSCHLAND 1.75% 4/7/2022	EUR	12,497,810	8.1
BUNDESREPUB. DEUTSCHLAND 0.5% 15/2/2025	EUR	11,872,877	7.7
BUNDESREPUB. DEUTSCHLAND 2% 4/1/2022	EUR	10,361,751	6.7
NETHERLANDS GOVERNMENT 1.75% 15/7/2023	EUR	9,301,058	6.0
BELGIUM KINGDOM 4.25% 28/9/2022	EUR	8,912,959	5.8
NETHERLANDS GOVERNMENT 3.25% 15/7/2021	EUR	8,681,759	5.6
BELGIUM KINGDOM 4.25% 28/9/2021	EUR	8,671,134	5.6
BELGIUM KINGDOM 2.6% 22/6/2024	EUR	8,371,429	5.4
NETHERLANDS GOVERNMENT 2% 15/7/2024	EUR	8,343,599	5.4
REPUBLIC OF AUSTRIA 3.5% 15/9/2021	EUR	8,319,618	5.4
REPUBLIC OF AUSTRIA 1.75% 20/10/2023	EUR	6,260,969	4.0
REPUBLIC OF AUSTRIA 3.4% 22/11/2022	EUR	5,809,515	3.8
Total bonds		153,341,914	99.0
Total investments		153,341,914	99.0

2. Cash and cash equivalents

At 31 December 2019 there are no restrictions on the use of the cash and cash equivalents.

3. Receivables

(amounts x € 1)	2019	2018
Accrued interest on bonds	1,538,129	1,812,029
Total	1,538,129	1,812,029

4. Summary of changes in the assets under management

(amounts x € 1)	2019	2018
Opening balance	170,985,495	170,976,014
Issue of shares	36,979,188	94,833,418
Purchase of shares	(49,087,486)	(89,569,356)
Dividend distribution	(3,639,940)	(5,325,690)
Interest income	3,727,258	4,461,587
Interest expense	(6,466)	(7,208)
Changes in the value of investments	(3,852,280)	(4,139,813)
Management fee	(217,356)	(243,174)
Other expenses	(299)	(283)
Closing balance	154,888,114	170,985,495

5. Other payables

(amounts x € 1)	2019	2018
Management costs payable	19,895	22,604
Dividend tax payable	294,745	429,357
Other short-term debts	974	1,569
Total	315,614	453,530

6. Affiliated parties

A party is an affiliated party if one party can exercise control over the other party or exert significant influence on the other party's financial and operational policy.

VanEck Asset Management B.V. is the Company's director according to the articles of association and acts as Manager of the Company.

The management costs include all costs relating to the management of a fund, such as the management fee, costs of the custodial bank and the payment office, the listing costs, auditor's fee, costs of the purchase and issue of shares, the costs of having the Sub-funds correspond to the relevant index and the administration costs. The management costs are deducted daily from the definitive Net Intrinsic Value of a share in a Sub-fund. The management costs for the period from 1 January 2019 to 31 December 2019 amount to € 217,356 (in 2018: € 243,174).

7. Risks with regard to the financial instruments**Price risk**

In terms of price risk, a distinction can be made between:

- Currency risk, which is the risk that the value of a financial instrument will fluctuate as the result of changes in exchange rates;
- Market risk, which is the risk that the value of a financial instrument will fluctuate as the result of changes in market prices caused by factors that apply exclusively for the individual instrument or emitting party, or by factors that affect all instruments traded on the market;
- Interest rate risk, which is the risk that the value of a financial instrument will fluctuate as the result of changes in the market interest rate.

The notion of price risk encompasses not only the likelihood of losses, but also the likelihood of gains.

Currency risk

The Sub-fund only has euro investments and is consequently not exposed to significant currency risk.

VanEck Vectors™ iBoxx EUR Sovereign Capped AAA-AA 1-5 UCITS ETF

Market risk

The risk as a result of changes in market prices is limited by diversifying the investments in the portfolio as much as possible by region and sector.

Portfolio distribution by country

(amounts x € 1)		2019		2018	
Country	Amount	% of the NAV	Amount	% of the NAV	
France	45,937,434	29.6	50,731,569	29.6	
Germany	34,732,439	22.4	36,813,379	21.5	
Netherlands	26,326,416	17.0	27,155,229	15.9	
Belgium	25,955,522	16.8	30,350,778	17.8	
Austria	20,390,103	13.2	24,088,759	14.1	
Total	153,341,914	99.0	169,139,714	98.9	

A 5% increase due to specific political or economical circumstances in the relevant country, starting on the balance sheet date and applicable for every country, would result in a profit increase for the reporting period as shown in the table below.

(amounts x € 1)		2019		2018	
Country	Amount	% of the NAV	Amount	% of the NAV	
France	2,296,872	1.5	2,536,578	1.5	
Germany	1,736,622	1.1	1,840,669	1.1	
Netherlands	1,316,321	0.8	1,357,761	0.8	
Belgium	1,297,776	0.8	1,517,539	0.9	
Austria	1,019,505	0.7	1,204,438	0.7	

A 5% decrease in a country would have an impact of the same magnitude in the opposite direction.

VanEck Vectors™ iBoxx EUR Sovereign Capped AAA-AA 1-5 UCITS ETF

Interest rate risk

The Sub-fund invests in fixed-interest financial instruments and is consequently exposed to interest rate risk.

(amounts x € 1)	<= 1 year	<= 5 years	> 5 years	Not interest bearing	Total 2019
Assets					
Investments	-	153,341,914	-	-	153,341,914
Cash and cash equivalents	323,685	-	-	-	323,685
Receivables	-	-	-	1,538,129	1,538,129
Total assets	323,685	153,341,914	-	1,538,129	155,203,728
Liabilities					
Other payables	-	-	-	315,614	315,614
Equity					
Shares	-	-	-	154,888,114	154,888,114
Total equity and liabilities	-	-	-	155,203,728	155,203,728
Total	323,685	153,341,914	-	(153,665,599)	-

(amounts x € 1)	<= 1 year	<= 5 years	> 5 years	Not interest bearing	Total 2018
Assets					
Investments	-	169,139,714	-	-	169,139,714
Cash and cash equivalents	487,282	-	-	-	487,282
Receivables	-	-	-	1,812,029	1,812,029
Total assets	487,282	169,139,714	-	1,812,029	171,439,025
Liabilities					
Other payables	-	-	-	453,530	453,530
Equity					
Shares	-	-	-	170,985,495	170,985,495
Total equity and liabilities	-	-	-	171,439,025	171,439,025
Total	487,282	169,139,714	-	(169,626,996)	-

All other variables remaining the same, a 100-basis point decline in the interest rates effective as of the balance sheet date would result in a € 4,618,421 increase in the profit for the reporting period (2018: € 4,581,888). A 100-basis point rise in the interest rates effective as of the balance sheet date would result in a € 4,618,421 decrease in the profit for the reporting period.

Cash flow risk

Cash flow risk is the risk that future cash flows associated with a monetary financial instrument will fluctuate in size. The Sub-fund does not invest a significant part of the fund assets in monetary financial instruments with variable interest and is therefore not exposed to significant cash flow risk.

Credit risk

Credit risk is the risk that the contract party in a financial instrument will not satisfy its obligation, which means the Sub-fund will have to recognise a financial loss. The amount that best represents the maximum credit risk is € 155,203,728 (2018: € 171,439,025).

VanEck Vectors™ iBoxx EUR Sovereign Capped AAA-AA 1-5 UCITS ETF

The Sub-fund invests in monetary financial instruments and is consequently exposed to significant credit risk. The table below shows the concentrations of credit risk of the investments in bonds.

(amounts x € 1)		2019		2018	
Credit rating	Amount	% of the NAV	Amount	% of the NAV	
AAA	61,058,855	39.4	63,968,608	37.4	
AA	92,283,059	59.6	105,171,106	61.5	
Total	153,341,914	99.0	169,139,714	98.9	

Liquidity risk

Liquidity risk, also called funding risk, is the risk that the legal entity will be unable to secure the financial resources needed to satisfy obligations under the financial instruments. Liquidity risk can arise, for instance, if a financial asset cannot be sold at virtually fair value in the short term.

Shares in the Sub-funds can be bought and sold on Euronext Amsterdam, whereby the Liquidity Provider ensures that there is both a bid and ask price at which the share can be traded. The Sub-fund's investments are likewise listed. Consequently the Sub-fund is not exposed to significant liquidity risk.

8. Cost section**OCF (ongoing charges figure)**

The OCF is a measure of the ongoing costs charged to the Sub-fund during the reporting period. The following starting points are important for calculating the ongoing charges:

- The OCF shows the ratio of ongoing costs to average intrinsic value. The ongoing charges encompass all costs charged to the fund assets during the reporting period, with the exception of the spread applied for the entry and exit of shareholders, any performance fees and transaction costs of investments and interest charges on bank accounts. Performance fees must be presented separately, if applicable. No performance fee applies for the VanEck UCITS ETFs.
- The average intrinsic value is based on the intrinsic values on every day that the intrinsic value of the Sub-fund is determined during the reporting period.

(amounts x € 1.000)		2019	2018
Average intrinsic value		144,865,882	161,708,707
Total costs within the Sub-fund		217,356	243,174
OCF		0.15%	0.15%

Comparison of costs to prospectus over 2019 financial year

(amounts x € 1)	Amount	%	Prospectus
Total costs within the Sub-fund	217,356	0.15%	0.15%

The percentage is calculated with respect to the average assets as used for the OCF.

Portfolio Turnover ratio

The Portfolio Turnover ratio (PTR) gives an indication of the turnover rate of the Sub-fund's portfolio. This indicator gives an impression of the relative transaction costs involved in the differences in portfolio management.

The PTR is calculated as follows:

$$[(\text{Total 1} - \text{Total 2}) / X] * 100$$

Total 1: the total amount in securities transactions (securities purchases + securities sales)

Total 2: the total amount in transactions (issue + purchases) of participation rights in the investment institution

X: the average intrinsic value of the investment institution.

A PTR of 92.2% is calculated using this formula (2018: 71.2%). This means that in 2019, purchases and sales took place in the amount of 0.9 times the average intrinsic value of the Sub-fund. This amount has been corrected for the regular purchases and sales performed on account of subscriptions and redemptions.

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VanEck Vectors™ Sustainable World Equal Weight UCITS ETF

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5.16 Financial statements as of 31 December

5.16.1. Balance sheet (before result appropriation)

(amounts x € 1)		2019	2018
ASSETS			
<u>Investments</u>			
Shares		318,179,005	124,168,378
Property shares		10,894,812	4,397,515
Investments	{1}	329,073,817	128,565,893
Cash and cash equivalents	{2}	328,536	-
Receivables	{3}	692,525	285,944
Total assets		330,094,878	128,851,837
Equity			
Issued capital		35,700	17,250
Share premium reserve		271,792,019	117,870,181
General reserve		5,429,939	24,737,610
Result		52,600,908	(14,164,021)
Total equity	{4}	329,858,566	128,461,020
LIABILITIES			
Debts to credit institutions	{2}	-	245,621
Other payables	{5}	236,312	145,196
Total liabilities		236,312	390,817
Total equity and liabilities		330,094,878	128,851,837

The numbers next to the items refer to the notes to the balance sheet and statement of comprehensive income. The notes form an integral part of the financial statements.

5.16.2. Statement of comprehensive income

(amounts x € 1)	2019	2018
Investment result		
Changes in the value of investments	47,088,563	(17,360,798)
Interest income	958	397
Interest expense	(7,733)	(7,061)
Dividend income	6,235,481	3,682,119
Foreign exchange differences	(28,936)	(34,491)
Total investment result	53,288,333	(13,719,834)
Management costs {8}	(683,510)	(437,537)
Transaction costs	(3,915)	(6,650)
Total expenses	(687,425)	(444,187)
Total result	52,600,908	(14,164,021)

The numbers next to the items refer to the notes to the balance sheet and statement of comprehensive income. The notes form an integral part of the financial statements.

5.16.3. Cash flow statement

(amounts x € 1)	2019	2018
Purchases of investments	(193,494,103)	(202,527,939)
Sales of investments	40,069,522	176,865,243
Interest paid or accrued interest purchased	(6,775)	(6,664)
Dividends received	5,828,900	3,585,904
Management costs paid	(632,660)	(434,843)
Other payments	(1,808)	(4,772)
Cash flow from operating activities	(148,236,924)	(22,523,071)
Issue of shares	167,512,405	172,670,885
Purchase of shares	(13,572,117)	(147,438,582)
Dividend distribution	(5,100,271)	(3,084,075)
Net cash flow from financing activities	148,840,017	22,148,228
Foreign exchange differences	(28,936)	(34,491)
Net cash flow	574,157	(409,334)
Cash and cash equivalents at beginning of the period	(245,621)	163,771
Cash and cash equivalents at end of the period	328,536	(245,563)

The notes form an integral part of the financial statements.

5.16.4. Statement of changes in equity

(amounts x € 1)	2019	2018
Capital		
Opening balance	17,250	15,000
Issue of shares	19,950	20,500
Purchase of shares	(1,500)	(18,250)
Closing balance	35,700	17,250
Share premium		
Opening balance	117,870,181	92,640,128
Issue of shares	167,492,455	172,650,385
Purchase of shares	(13,570,617)	(147,420,332)
Closing balance	271,792,019	117,870,181
General reserve		
Opening balance	24,737,610	17,487,722
Unappropriated result from previous financial year	(14,164,021)	10,379,388
Dividend distribution	(5,143,650)	(3,129,500)
Closing balance	5,429,939	24,737,610
Opening balance total	128,461,020	120,522,238
Issue of shares	167,512,405	172,670,885
Purchase of shares	(13,572,117)	(147,438,582)
Dividend distribution	(5,143,650)	(3,129,500)
Result	52,600,908	(14,164,021)
Closing balance total	329,858,566	128,461,020
Numbers of shares		
Opening balance	1,725,000	1,500,000
Issue of shares	1,995,000	2,050,000
Purchase of shares	(150,000)	(1,825,000)
Closing balance	3,570,000	1,725,000

5.16.5. Notes**Accounting policies**

For the accounting policies used for the financial statements, refer to the Company's accounting policies as set out in chapter 5.5.

Notes to the balance sheet and statement of comprehensive income**1. Investments****Summary of changes in the investments according to characteristic of financial instrument**

(amounts x € 1)	Shares	Property shares	Total 2019
Opening balance	124,168,378	4,397,515	128,565,893
Purchases of investments	186,204,640	7,284,243	193,488,883
Sales of investments	(38,603,194)	(1,466,328)	(40,069,522)
Changes in value	46,409,181	679,382	47,088,563
Total	318,179,005	10,894,812	329,073,817

Summary of changes in the investments according to characteristic of financial instrument

(amounts x € 1)	Shares	Property shares	Total 2018
Opening balance	116,509,552	3,749,223	120,258,775
Purchases of investments	195,297,374	7,235,785	202,533,159
Sales of investments	(170,539,325)	(6,325,918)	(176,865,243)
Changes in value	(17,099,223)	(261,575)	(17,360,798)
Total	124,168,378	4,397,515	128,565,893

The table below provides an analysis of the financial instruments valued at fair value, per valuation method.

Composition of investments according to valuation technique

(amounts x € 1)	2019	2018
Level 1	329,073,817	128,565,893
Total	329,073,817	128,565,893

All the investments of the Sub-fund are listed and therefore classified as level 1 investments.

VanEck Vectors™ Sustainable World Equal Weight UCITS ETF

Composition of investments

(amounts x € 1)		2019	
	Currency	Market value	% of NAV
Shares			
Daiichi Sankyo Co Ltd	JPY	2,002,713	0.6
London Stock Exchange Group PLC	GBP	1,949,962	0.6
Apple Inc	USD	1,906,044	0.6
Tokyo Electron Ltd	JPY	1,891,638	0.6
ASML Holding NV	EUR	1,880,181	0.6
QUALCOMM Inc	USD	1,874,956	0.6
Applied Materials Inc	USD	1,830,547	0.6
Sony Corp	JPY	1,790,495	0.5
Hoya Corp	JPY	1,756,120	0.5
Atlas Copco AB	SEK	1,738,376	0.5
Other		299,557,973	90.8
Total shares		318,179,005	96.5
Property shares			
American Tower Corp	USD	1,465,115	0.4
Crown Castle International Corp	USD	1,381,483	0.4
Mitsubishi Estate Co Ltd	JPY	1,294,370	0.4
Vonovia SE	EUR	1,246,512	0.4
Mitsui Fudosan Co Ltd	JPY	1,198,184	0.4
Link REIT	HKD	1,141,340	0.4
Sun Hung Kai Properties Ltd	HKD	1,111,664	0.3
Simon Property Group Inc	USD	1,040,000	0.3
CK Asset Holdings Ltd	HKD	1,016,144	0.3
Total property shares		10,894,812	3.3
Total investments		329,073,817	99.8

2. Cash and cash equivalents

At 31 December 2019 there are no restrictions on the use of the cash and cash equivalents.

3. Receivables

(amounts x € 1)		2019	2018
Dividend receivable		692,525	285,944
Total		692,525	285,944

4. Summary of changes in the assets under management

(amounts x € 1)	2019	2018
Opening balance	128,461,020	120,522,238
Issue of shares	167,512,405	172,670,885
Purchase of shares	(13,572,117)	(147,438,582)
Dividend distribution	(5,143,650)	(3,129,500)
Interest income	958	397
Interest expense	(7,733)	(7,061)
Dividend income	6,235,481	3,682,119
Changes in the value of investments	47,088,563	(17,360,798)
Management fee	(683,510)	(437,537)
Exchange rate differences	(28,936)	(34,491)
Other expenses	(3,915)	(6,650)
Closing balance	329,858,566	128,461,020

5. Other payables

(amounts x € 1)	2019	2018
Management costs payable	84,492	33,642
Dividend tax payable	147,793	104,414
Securities transactions still to be settled	-	5,220
Other short-term debts	4,027	1,920
Total	236,312	145,196

6. Affiliated parties

A party is an affiliated party if one party can exercise control over the other party or exert significant influence on the other party's financial and operational policy.

VanEck Asset Management B.V. is the Company's director according to the articles of association and acts as Manager of the Company.

The management costs include all costs relating to the management of a fund, such as the management fee, costs of the custodial bank and the payment office, the listing costs, auditor's fee, costs of the purchase and issue of shares, the costs of having the Sub-funds correspond to the relevant index and the administration costs. The management costs are deducted daily from the definitive Net Intrinsic Value of a share in a Sub-fund. The management costs for the period from 1 January 2019 to 31 December 2019 amount to € 683,510 (in 2018: € 437,537).

VanEck Vectors™ Sustainable World Equal Weight UCITS ETF

7. Risks with regard to the financial instruments**Price risk**

In terms of price risk, a distinction can be made between:

- Currency risk, which is the risk that the value of a financial instrument will fluctuate as the result of changes in exchange rates;
- Market risk, which is the risk that the value of a financial instrument will fluctuate as the result of changes in market prices caused by factors that apply exclusively for the individual instrument or emitting party, or by factors that affect all instruments traded on the market;
- Interest rate risk, which is the risk that the value of a financial instrument will fluctuate as the result of changes in the market interest rate.

The notion of price risk encompasses not only the likelihood of losses, but also the likelihood of gains.

Currency risk

The fund has investments denominated in foreign currency and is therefore exposed to significant currency risk.

(amounts x € 1)		2019		2018	
Currency	Amount	% of the NAV	Amount	% of the NAV	
US dollar	124,513,590	37.8	50,600,226	39.5	
Euro	59,870,652	18.2	22,896,860	17.8	
Japanese yen	58,847,074	17.8	19,939,410	15.5	
British pound	21,539,093	6.5	9,165,819	7.1	
Other currency	65,088,157	19.7	25,858,705	20.1	
Total	329,858,566	100.0	128,461,020	100.0	

A 5% increase in the relevant currency, starting on the balance sheet date and applicable for every currency, would result in a profit increase for the reporting period as shown in the table below.

(amounts x € 1)		2019		2018	
Currency	Amount	% of the NAV	Amount	% of the NAV	
US dollar	6,225,680	1.9	2,530,011	2.0	
Japanese yen	2,942,354	0.9	996,971	0.8	
British pound	1,076,955	0.3	458,291	0.4	

A 5% decrease in a currency would have an impact of the same magnitude in the opposite direction.

VanEck Vectors™ Sustainable World Equal Weight UCITS ETF

Market risk

The risk as a result of changes in market prices is limited by diversifying the investments in the portfolio as much as possible by region and sector.

Portfolio distribution by sector

(amounts x € 1)		2019		2018	
Sector	Amount	% of the NAV	Amount	% of the NAV	
Financial	104,652,131	31.7	38,222,268	29.8	
Non-cyclical consumer goods	71,517,925	21.7	29,788,781	23.2	
Industry	37,492,139	11.4	13,120,183	10.2	
Communication	35,745,733	10.8	16,354,837	12.7	
Cyclical consumer goods	33,206,602	10.1	13,553,290	10.6	
Technology	31,090,303	9.4	10,028,510	7.8	
Other sectors	15,368,984	4.7	7,498,024	5.8	
Total	329,073,817	99.8	128,565,893	100.1	

A 5% increase in the relevant sector, starting on the balance sheet date and applicable for every sector, would result in a profit increase for the reporting period as shown in the table below.

(amounts x € 1)		2019		2018	
Sector	Amount	% of the NAV	Amount	% of the NAV	
Financial	5,232,607	1.6	1,911,113	1.5	
Non-cyclical consumer goods	3,575,896	1.1	1,489,439	1.2	
Industry	1,874,607	0.6	656,009	0.5	
Communication	1,787,287	0.5	817,742	0.6	
Cyclical consumer goods	1,660,330	0.5	677,665	0.5	
Technology	1,554,515	0.5	501,426	0.4	

A 5% decrease in the sector would have an impact of the same magnitude in the opposite direction.

Portfolio distribution by country

(amounts x € 1)		2019		2018	
Country	Amount	% of the NAV	Amount	% of the NAV	
United States	124,426,783	37.8	51,036,629	39.8	
Japan	58,843,365	17.8	19,931,903	15.5	
United Kingdom	21,535,278	6.5	9,158,239	7.1	
Germany	19,075,371	5.8	6,402,325	5.0	
France	18,657,132	5.7	6,560,397	5.1	
Other countries	86,535,888	26.2	35,476,400	27.6	
Total	329,073,817	99.8	128,565,893	100.1	

VanEck Vectors™ Sustainable World Equal Weight UCITS ETF

A 5% increase due to specific political or economical circumstances in the relevant country, starting on the balance sheet date and applicable for every country, would result in a profit increase for the reporting period as shown in the table below.

(amounts x € 1)		2019		2018	
Country	Amount	% of the NAV	Amount	% of the NAV	
United States	6,221,339	1.9	2,551,831	2.0	
Japan	2,942,168	0.9	996,595	0.8	
United Kingdom	1,076,764	0.3	457,912	0.4	
Germany	953,769	0.3	320,116	0.2	
France	932,857	0.3	328,020	0.3	

A 5% decrease in a country would have an impact of the same magnitude in the opposite direction.

Interest rate risk

The Sub-fund does not invest in fixed-interest financial instruments and is consequently not exposed to significant interest rate risk.

Cash flow risk

Cash flow risk is the risk that future cash flows associated with a monetary financial instrument will fluctuate in size. The Sub-fund does not invest a significant part of the fund assets in monetary financial instruments with variable interest and is therefore not exposed to significant cash flow risk.

Credit risk

Credit risk is the risk that the contract party in a financial instrument will not satisfy its obligation, which means the Sub-fund will have to recognise a financial loss. The amount that best represents the maximum credit risk is € 1,021,061 (2018: € 40,323).

The Sub-fund does not invest in monetary financial instruments and is consequently not exposed to significant credit risk.

Liquidity risk

Liquidity risk, also called funding risk, is the risk that the legal entity will be unable to secure the financial resources needed to satisfy obligations under the financial instruments. Liquidity risk can arise, for instance, if a financial asset cannot be sold at virtually fair value in the short term.

Shares in the Sub-funds can be bought and sold on Euronext Amsterdam, whereby the Liquidity Provider ensures that there is both a bid and ask price at which the share can be traded. The Sub-fund's investments are likewise listed. Consequently the Sub-fund is not exposed to significant liquidity risk.

VanEck Vectors™ Sustainable World Equal Weight UCITS ETF

8. Cost section**OCF (ongoing charges figure)**

The OCF is a measure of the ongoing costs charged to the Sub-fund during the reporting period. The following starting points are important for calculating the ongoing charges:

- The OCF shows the ratio of ongoing costs to average intrinsic value. The ongoing charges encompass all costs charged to the fund assets during the reporting period, with the exception of the spread applied for the entry and exit of shareholders, any performance fees and transaction costs of investments and interest charges on bank accounts. Performance fees must be presented separately, if applicable. No performance fee applies for the VanEck UCITS ETFs.
- The average intrinsic value is based on the intrinsic values on every day that the intrinsic value of the Sub-fund is determined during the reporting period.

(amounts x € 1.000)	2019	2018
Average intrinsic value	227,976,641	146,381,594
Total costs within the Sub-fund	683,510	437,537
OCF	0.30%	0.30%

Comparison of costs to prospectus over 2019 financial year

(amounts x € 1)	Amount	%	Prospectus
Total costs within the Sub-fund	683,510	0.30%	0.30%
Total			

The percentage is calculated with respect to the average assets as used for the OCF.

Portfolio Turnover ratio

The Portfolio Turnover ratio (PTR) gives an indication of the turnover rate of the Sub-fund's portfolio. This indicator gives an impression of the relative transaction costs involved in the differences in portfolio management.

The PTR is calculated as follows:

$$[(\text{Total 1} - \text{Total 2}) / X] * 100$$

Total 1: the total amount in securities transactions (securities purchases + securities sales)

Total 2: the total amount in transactions (issue + purchases) of participation rights in the investment institution

X: the average intrinsic value of the investment institution.

A PTR of 23.0% is calculated using this formula (2018: 40.5%). This means that in 2019, purchases and sales took place in the amount of 0.2 times the average intrinsic value of the Sub-fund. This amount has been corrected for the regular purchases and sales performed on account of subscriptions and redemptions.

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VanEck Vectors™ European Equal Weight UCITS ETF

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5.17 Financial statements as of 31 December

5.17.1. Balance sheet (before result appropriation)

(amounts x € 1)		2019	2018
ASSETS			
<u>Investments</u>			
Shares		42,226,875	43,515,002
Property shares		791,813	346,760
Investments	{1}	43,018,688	43,861,762
Cash and cash equivalents	{2}	52,905	-
Receivables	{3}	266,424	149,632
Total assets		43,338,017	44,011,394
Equity			
Issued capital		7,300	8,850
Share premium reserve		39,135,125	47,527,974
General reserve		(5,591,842)	889,273
Result		9,752,361	(4,770,215)
Total equity	{4}	43,302,944	43,655,882
LIABILITIES			
Debts to credit institutions	{2}	-	303,371
Other payables	{5}	35,073	52,141
Total liabilities		35,073	355,512
Total equity and liabilities		43,338,017	44,011,394

The numbers next to the items refer to the notes to the balance sheet and statement of comprehensive income. The notes form an integral part of the financial statements.

5.17.2. Statement of comprehensive income

(amounts x € 1)	2019	2018
Investment result		
Changes in the value of investments	7,968,330	(6,315,253)
Interest income	35	61
Interest expense	(2,903)	(1,840)
Dividend income	1,874,775	1,641,046
Foreign exchange differences	970	1,466
Total investment result	9,841,207	(4,674,520)
Management costs {8}	(86,923)	(92,760)
Transaction costs	(1,923)	(2,935)
Total expenses	(88,846)	(95,695)
Total result	9,752,361	(4,770,215)

The numbers next to the items refer to the notes to the balance sheet and statement of comprehensive income. The notes form an integral part of the financial statements.

5.17.3. Cash flow statement

(amounts x € 1)	2019	2018
Purchases of investments	(5,503,798)	(9,898,263)
Sales of investments	14,315,202	4,198,214
Interest paid or accrued interest purchased	(2,866)	(1,312)
Dividends received	1,757,981	1,614,070
Management costs paid	(87,058)	(92,994)
Other payments	(1,597)	(3,797)
Cash flow from operating activities	10,477,864	(4,184,082)
Issue of shares	-	5,349,276
Purchase of shares	(8,394,399)	-
Dividend distribution	(1,728,159)	(1,516,854)
Net cash flow from financing activities	(10,122,558)	3,832,422
Foreign exchange differences	970	1,466
Net cash flow	356,276	(350,194)
Cash and cash equivalents at beginning of the period	(303,371)	46,823
Cash and cash equivalents at end of the period	52,905	(303,371)

The notes form an integral part of the financial statements.

5.17.4. Statement of changes in equity

(amounts x € 1)	2019	2018
Capital		
Opening balance	8,850	7,900
Issue of shares	-	950
Purchase of shares	(1,550)	-
Closing balance	7,300	8,850
Share premium		
Opening balance	47,527,974	42,179,648
Issue of shares	-	5,348,326
Purchase of shares	(8,392,849)	-
Closing balance	39,135,125	47,527,974
General reserve		
Opening balance	889,273	(1,349,780)
Unappropriated result from previous financial year	(4,770,215)	3,787,253
Dividend distribution	(1,710,900)	(1,548,200)
Closing balance	(5,591,842)	889,273
Opening balance total	43,655,882	44,625,021
Issue of shares	-	5,349,276
Purchase of shares	(8,394,399)	-
Dividend distribution	(1,710,900)	(1,548,200)
Result	9,752,361	(4,770,215)
Closing balance total	43,302,944	43,655,882
Numbers of shares		
Opening balance	885,000	790,000
Issue of shares	-	95,000
Purchase of shares	(155,000)	-
Closing balance	730,000	885,000

5.17.5. Notes**Accounting policies**

For the accounting policies used for the financial statements, refer to the Company's accounting policies as set out in chapter 5.5.

Notes to the balance sheet and statement of comprehensive income**1. Investments****Summary of changes in the investments according to characteristic of financial instrument**

(amounts x € 1)	Shares	Property shares	Total 2019
Opening balance	43,515,002	346,760	43,861,762
Purchases of investments	4,980,109	523,689	5,503,798
Sales of investments	(14,209,575)	(105,627)	(14,315,202)
Changes in value	7,941,339	26,991	7,968,330
Total	42,226,875	791,813	43,018,688

Summary of changes in the investments according to characteristic of financial instrument

(amounts x € 1)	Shares	Property shares	Total 2018
Opening balance	44,059,066	417,900	44,476,966
Purchases of investments	9,790,930	107,333	9,898,263
Sales of investments	(4,198,214)	-	(4,198,214)
Changes in value	(6,136,780)	(178,473)	(6,315,253)
Total	43,515,002	346,760	43,861,762

The table below provides an analysis of the financial instruments valued at fair value, per valuation method.

Composition of investments according to valuation technique

(amounts x € 1)	2019	2018
Level 1	43,018,688	43,861,762
Total	43,018,688	43,861,762

All the investments of the Sub-fund are listed and therefore classified as level 1 investments.

VanEck Vectors™ European Equal Weight UCITS ETF

Composition of investments

(amounts x € 1)		2019	
	Currency	Market value	% of NAV
Shares			
ASML Holding NV	EUR	640,528	1.5
Atlas Copco AB	SEK	604,538	1.4
Adidas AG	EUR	543,665	1.3
LVMH Moët Hennessy Louis Vuitton SA	EUR	528,105	1.2
Schneider Electric SA	EUR	521,093	1.2
EssilorLuxottica SA	EUR	514,546	1.2
CRH PLC	GBP	511,254	1.2
Enel SpA	EUR	506,164	1.2
ABB Ltd	CHF	502,939	1.2
Zurich Insurance Group AG	CHF	498,658	1.2
Other		36,855,385	84.9
Total shares		42,226,875	97.5
Property shares			
Vonovia SE	EUR	409,104	0.9
Unibail-Rodamco-Westfield Ltd	EUR	382,709	0.9
Total property shares		791,813	1.8
Total investments		43,018,688	99.3

2. Cash and cash equivalents

At 31 December 2019 there are no restrictions on the use of the cash and cash equivalents.

3. Receivables

(amounts x € 1)		2019	2018
Dividend receivable		266,424	149,630
Other receivables		-	2
Total		266,424	149,632

4. Summary of changes in the assets under management

(amounts x € 1)	2019	2018
Opening balance	43,655,882	44,625,021
Issue of shares	-	5,349,276
Purchase of shares	(8,394,399)	-
Dividend distribution	(1,710,900)	(1,548,200)
Interest income	35	61
Interest expense	(2,903)	(1,840)
Dividend income	1,874,775	1,641,046
Changes in the value of investments	7,968,330	(6,315,253)
Management fee	(86,923)	(92,760)
Exchange rate differences	970	1,466
Other expenses	(1,923)	(2,935)
Closing balance	43,302,944	43,655,882

5. Other payables

(amounts x € 1)	2019	2018
Management costs payable	7,393	7,528
Dividend tax payable	26,022	43,281
Other short-term debts	1,658	1,332
Total	35,073	52,141

6. Affiliated parties

A party is an affiliated party if one party can exercise control over the other party or exert significant influence on the other party's financial and operational policy.

VanEck Asset Management B.V. is the Company's director according to the articles of association and acts as Manager of the Company.

The management costs include all costs relating to the management of a fund, such as the management fee, costs of the custodial bank and the payment office, the listing costs, auditor's fee, costs of the purchase and issue of shares, the costs of having the Sub-funds correspond to the relevant index and the administration costs. The management costs are deducted daily from the definitive Net Intrinsic Value of a share in a Sub-fund. The management costs for the period from 1 January 2019 to 31 December 2019 amount to € 86,923 (in 2018: € 92,760).

VanEck Vectors™ European Equal Weight UCITS ETF

7. Risks with regard to the financial instruments

Price risk

In terms of price risk, a distinction can be made between:

- Currency risk, which is the risk that the value of a financial instrument will fluctuate as the result of changes in exchange rates;
- Market risk, which is the risk that the value of a financial instrument will fluctuate as the result of changes in market prices caused by factors that apply exclusively for the individual instrument or emitting party, or by factors that affect all instruments traded on the market;
- Interest rate risk, which is the risk that the value of a financial instrument will fluctuate as the result of changes in the market interest rate.

The notion of price risk encompasses not only the likelihood of losses, but also the likelihood of gains.

Currency risk

The fund has investments denominated in foreign currency and is therefore exposed to significant currency risk.

(amounts x € 1)		2019		2018	
Currency	Amount	% of the NAV	Amount	% of the NAV	
Euro	27,502,660	63.5	26,227,639	60.0	
British pound	7,920,881	18.3	9,323,340	21.4	
Swiss franc	4,619,367	10.7	4,461,296	10.2	
Swedish crown	2,426,899	5.6	2,785,616	6.4	
Other currencies	833,137	1.9	857,991	2.0	
Total	43,302,944	100.0	43,655,882	100.0	

A 5% increase in the relevant currency, starting on the balance sheet date and applicable for every currency, would result in a profit increase for the reporting period as shown in the table below.

(amounts x € 1)		2019		2018	
Currency	Amount	% of the NAV	Amount	% of the NAV	
British pound	396,044	0.9	466,167	1.1	
Swiss franc	230,968	0.5	223,065	0.5	
Swedish crown	121,345	0.3	139,281	0.3	

A 5% decrease in a currency would have an impact of the same magnitude in the opposite direction.

VanEck Vectors™ European Equal Weight UCITS ETF

Market risk

The risk as a result of changes in market prices is limited by diversifying the investments in the portfolio as much as possible by region and sector.

Portfolio distribution by sector

(amounts x € 1)		2019		2018	
Sector	Amount	% of the NAV	Amount	% of the NAV	
Financial	11,644,237	26.8	10,608,762	24.3	
Non-cyclical consumer goods	9,963,448	23.0	10,904,104	25.0	
Industry	5,355,963	12.4	5,052,245	11.6	
Cyclical consumer goods	3,949,074	9.1	3,905,212	8.9	
Basic materials	3,404,027	7.9	3,060,124	7.0	
Communication	2,513,126	5.8	3,564,125	8.2	
Utilities	2,214,743	5.1	2,034,732	4.7	
Other sectors	3,974,070	9.2	4,732,458	10.8	
Total	43,018,688	99.3	43,861,762	100.5	

A 5% increase in the relevant sector, starting on the balance sheet date and applicable for every sector, would result in a profit increase for the reporting period as shown in the table below.

(amounts x € 1)		2019		2018	
Sector	Amount	% of the NAV	Amount	% of the NAV	
Financial	582,212	1.3	530,438	1.2	
Non-cyclical consumer goods	498,172	1.2	545,205	1.2	
Industry	267,172	0.6	252,612	0.6	
Cyclical consumer goods	197,454	0.5	195,261	0.4	
Basic materials	170,201	0.4	153,006	0.4	
Communication	125,656	0.3	178,206	0.4	
Utilities	110,737	0.3	101,737	0.2	

A 5% decrease in the sector would have an impact of the same magnitude in the opposite direction.

VanEck Vectors™ European Equal Weight UCITS ETF

Portfolio distribution by country

(amounts x € 1)		2019		2018	
Country	Amount	% of the NAV	Amount	% of the NAV	
France	9,075,482	20.8	9,299,109	21.2	
Germany	8,543,513	19.7	6,800,913	15.6	
United Kingdom	7,908,890	18.3	9,299,006	21.3	
Switzerland	4,615,998	10.7	4,457,062	10.2	
Netherlands	4,352,064	10.1	4,443,726	10.2	
Spain	2,439,160	5.6	2,650,272	6.1	
Sweden	2,417,083	5.6	2,785,616	6.4	
Italy	2,205,772	5.1	2,069,634	4.7	
Other countries	1,460,726	3.4	2,056,424	4.8	
Total	43,018,688	99.3	43,861,762	100.5	

A 5% increase due to specific political or economical circumstances in the relevant country, starting on the balance sheet date and applicable for every country, would result in a profit increase for the reporting period as shown in the table below.

(amounts x € 1)		2019		2018	
Country	Amount	% of the NAV	Amount	% of the NAV	
France	453,774	1.0	464,955	1.1	
Germany	427,176	1.0	340,046	0.8	
United Kingdom	395,445	0.9	464,950	1.1	
Switzerland	230,800	0.5	222,853	0.5	
Netherlands	217,603	0.5	222,186	0.5	
Spain	121,958	0.3	132,514	0.3	
Sweden	120,854	0.3	139,281	0.3	
Italy	110,289	0.3	103,482	0.2	

A 5% decrease in a country would have an impact of the same magnitude in the opposite direction.

Interest rate risk

The Sub-fund does not invest in fixed-interest financial instruments and is consequently not exposed to significant interest rate risk.

Cash flow risk

Cash flow risk is the risk that future cash flows associated with a monetary financial instrument will fluctuate in size. The Sub-fund does not invest a significant part of the fund assets in monetary financial instruments with variable interest and is therefore not exposed to significant cash flow risk.

Credit risk

Credit risk is the risk that the contract party in a financial instrument will not satisfy its obligation, which means the Sub-fund will have to recognise a financial loss. The amount that best represents the maximum credit risk is € 319,329 (2018: € 149,632).

The Sub-fund does not invest in monetary financial instruments and is consequently not exposed to significant credit risk.

VanEck Vectors™ European Equal Weight UCITS ETF

Liquidity risk

Liquidity risk, also called funding risk, is the risk that the legal entity will be unable to secure the financial resources needed to satisfy obligations under the financial instruments. Liquidity risk can arise, for instance, if a financial asset cannot be sold at virtually fair value in the short term.

Shares in the Sub-funds can be bought and sold on Euronext Amsterdam, whereby the Liquidity Provider ensures that there is both a bid and ask price at which the share can be traded. The Sub-fund's investments are likewise listed. Consequently the Sub-fund is not exposed to significant liquidity risk.

8. Cost section**OCF (ongoing charges figure)**

The OCF is a measure of the ongoing costs charged to the Sub-fund during the reporting period. The following starting points are important for calculating the ongoing charges:

- The OCF shows the ratio of ongoing costs to average intrinsic value. The ongoing charges encompass all costs charged to the fund assets during the reporting period, with the exception of the spread applied for the entry and exit of shareholders, any performance fees and transaction costs of investments and interest charges on bank accounts. Performance fees must be presented separately, if applicable. No performance fee applies for the VanEck UCITS ETFs.
- The average intrinsic value is based on the intrinsic values on every day that the intrinsic value of the Sub-fund is determined during the reporting period.

(amounts x € 1.000)	2019	2018
Average intrinsic value	43,469,634	46,416,798
Total costs within the Sub-fund	86,923	92,760
OCF	0.20%	0.20%

Comparison of costs to prospectus over 2019 financial year

(amounts x € 1)	Amount	%	Prospectus
Total costs within the Sub-fund	86,923	0.20%	0.20%

The percentage is calculated with respect to the average assets as used for the OCF.

VanEck Vectors™ European Equal Weight UCITS ETF

Portfolio Turnover ratio

The Portfolio Turnover ratio (PTR) gives an indication of the turnover rate of the Sub-fund's portfolio. This indicator gives an impression of the relative transaction costs involved in the differences in portfolio management.

The PTR is calculated as follows:

$$[(\text{Total 1} - \text{Total 2}) / X] * 100$$

Total 1: the total amount in securities transactions (securities purchases + securities sales)

Total 2: the total amount in transactions (issue + purchases) of participation rights in the investment institution

X: the average intrinsic value of the investment institution.

A PTR of 26.3% is calculated using this formula (2018: 18.8%). This means that in 2019, purchases and sales took place in the amount of 0.3 times the average intrinsic value of the Sub-fund. This amount has been corrected for the regular purchases and sales performed on account of subscriptions and redemptions.

VanEck Vectors™ ETFs N.V.

Serie M

VanEck Vectors™ Morningstar North America Equal Weight UCITS ETF

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5.18 Financial statements as of 31 December

5.18.1. Balance sheet (before result appropriation)

(amounts x € 1)		2019	2018
ASSETS			
<u>Investments</u>			
Shares		6,146,560	4,797,400
Property shares		120,025	63,378
Investments	{1}	6,266,585	4,860,778
Cash and cash equivalents	{2}	6,171	3,896
Receivables	{3}	5,615	7,102
Total assets		6,278,371	4,871,776
Equity			
Issued capital		1,753	1,753
Share premium reserve		4,588,204	4,588,204
General reserve		166,541	242,195
Result		1,520,126	38,262
Total equity	{4}	6,276,624	4,870,414
LIABILITIES			
Other payables	{5}	1,747	1,362
Total liabilities		1,747	1,362
Total equity and liabilities		6,278,371	4,871,776

The numbers next to the items refer to the notes to the balance sheet and statement of comprehensive income. The notes form an integral part of the financial statements.

5.18.2. Statement of comprehensive income

(amounts x € 1)	2019	2018
Investment result		
Changes in the value of investments	1,408,557	(61,167)
Interest income	77	67
Interest expense	(68)	(227)
Dividend income	124,420	111,348
Foreign exchange differences	22	457
Total investment result	1,533,008	50,478
Management costs {8}	(11,462)	(10,266)
Transaction costs	(1,420)	(1,950)
Total expenses	(12,882)	(12,216)
Total result	1,520,126	38,262

The numbers next to the items refer to the notes to the balance sheet and statement of comprehensive income. The notes form an integral part of the financial statements.

5.18.3. Cash flow statement

(amounts x € 1)	2019	2018
Purchases of investments	(1,239,714)	(1,147,260)
Sales of investments	1,242,460	1,148,003
Interest received	13	-
Interest paid or accrued interest purchased	-	(164)
Dividends received	125,903	109,606
Management costs paid	(11,251)	(10,403)
Other payments	(1,773)	(3,562)
Cash flow from operating activities	115,638	96,220
Dividend distribution	(113,385)	(96,908)
Net cash flow from financing activities	(113,385)	(96,908)
Foreign exchange differences	22	457
Net cash flow	2,275	(231)
Cash and cash equivalents at beginning of the period	3,896	4,127
Cash and cash equivalents at end of the period	6,171	3,896

The notes form an integral part of the financial statements.

5.18.4. Statement of changes in equity

(amounts x € 1)	2019	2018
Capital		
Opening balance	1,753	1,753
Issue of shares	-	-
Purchase of shares	-	-
Closing balance	1,753	1,753
Share premium		
Opening balance	4,588,204	4,588,204
Closing balance	4,588,204	4,588,204
General reserve		
Opening balance	242,195	94,167
Unappropriated result from previous financial year	38,262	242,666
Dividend distribution	(113,916)	(94,638)
Closing balance	166,541	242,195
Opening balance total	4,870,414	4,926,790
Dividend distribution	(113,916)	(94,638)
Result	1,520,126	38,262
Closing balance total	6,276,624	4,870,414
Numbers of shares		
Opening balance	175,255	175,255
Issue of shares	-	-
Purchase of shares	-	-
Closing balance	175,255	175,255

5.18.5. Notes**Accounting policies**

For the accounting policies used for the financial statements, refer to the Company's accounting policies as set out in chapter 5.5.

Notes to the balance sheet and statement of comprehensive income**1. Investments****Summary of changes in the investments according to characteristic of financial instrument**

(amounts x € 1)	Shares	Property shares	Total 2019
Opening balance	4,797,400	63,378	4,860,778
Purchases of investments	1,183,811	55,899	1,239,710
Sales of investments	(1,212,052)	(30,408)	(1,242,460)
Changes in value	1,377,401	31,156	1,408,557
Total	6,146,560	120,025	6,266,585

Summary of changes in the investments according to characteristic of financial instrument

(amounts x € 1)	Shares	Property shares	Total 2018
Opening balance	4,873,738	48,950	4,922,688
Purchases of investments	1,141,278	5,982	1,147,260
Sales of investments	(1,148,003)	-	(1,148,003)
Changes in value	(69,613)	8,446	(61,167)
Total	4,797,400	63,378	4,860,778

The table below provides an analysis of the financial instruments valued at fair value, per valuation method.

Composition of investments according to valuation technique

(amounts x € 1)	2019	2018
Level 1	6,266,585	4,860,778
Total	6,266,585	4,860,778

All the investments of the Sub-fund are listed and therefore classified as level 1 investments.

Composition of investments

(amounts x € 1)		2019	
	Currency	Market value	% of NAV
Shares			
NVIDIA Corp	USD	93,702	1.5
Apple Inc	USD	88,161	1.4
CVS Caremark Corp	USD	80,611	1.3
Amgen Inc	USD	79,892	1.3
Cigna Corp	USD	76,331	1.2
Bristol-Myers Squibb Co	USD	75,656	1.2
Intel Corp	USD	75,232	1.2
JPMorgan Chase & Co	USD	74,264	1.2
QUALCOMM Inc	USD	73,807	1.2
Alphabet Inc-A	USD	72,786	1.2
Other		5,356,118	85.2
Total shares		6,146,560	97.9
Property shares			
American Tower Corp	USD	61,012	1.0
Crown Castle International Corp	USD	59,013	0.9
Total property shares		120,025	1.9
Total investments		6,266,585	99.8

2. Cash and cash equivalents

At 31 December 2019 there are no restrictions on the use of the cash and cash equivalents.

3. Receivables

(amounts x € 1)		2019	2018
Interest receivable		-	4
Dividend receivable		5,615	7,098
Total		5,615	7,102

4. Summary of changes in the assets under management

(amounts x € 1)	2019	2018
Opening balance	4,870,414	4,926,790
Dividend distribution	(113,916)	(94,638)
Interest income	77	67
Interest expense	(68)	(227)
Dividend income	124,420	111,348
Changes in the value of investments	1,408,557	(61,167)
Management fee	(11,462)	(10,266)
Exchange rate differences	22	457
Other expenses	(1,420)	(1,950)
Closing balance	6,276,624	4,870,414

5. Other payables

(amounts x € 1)	2019	2018
Management costs payable	1,063	852
Dividend tax payable	681	150
Other short-term debts	3	360
Total	1,747	1,362

6. Affiliated parties

A party is an affiliated party if one party can exercise control over the other party or exert significant influence on the other party's financial and operational policy.

VanEck Asset Management B.V. is the Company's director according to the articles of association and acts as Manager of the Company.

The management costs include all costs relating to the management of a fund, such as the management fee, costs of the custodial bank and the payment office, the listing costs, auditor's fee, costs of the purchase and issue of shares, the costs of having the Sub-funds correspond to the relevant index and the administration costs. The management costs are deducted daily from the definitive Net Intrinsic Value of a share in a Sub-fund. The management costs for the period from 1 January 2019 to 31 December 2019 amount to € 11,462 (in 2018: € 10,266).

7. Risks with regard to the financial instruments**Price risk**

In terms of price risk, a distinction can be made between:

- Currency risk, which is the risk that the value of a financial instrument will fluctuate as the result of changes in exchange rates;
- Market risk, which is the risk that the value of a financial instrument will fluctuate as the result of changes in market prices caused by factors that apply exclusively for the individual instrument or emitting party, or by factors that affect all instruments traded on the market;
- Interest rate risk, which is the risk that the value of a financial instrument will fluctuate as the result of changes in the market interest rate.

The notion of price risk encompasses not only the likelihood of losses, but also the likelihood of gains.

Currency risk

The fund has investments denominated in foreign currency and is therefore exposed to significant currency risk.

(amounts x € 1)		2019		2018	
Currency	Amount	% of the NAV	Amount	% of the NAV	
US dollar	5,975,230	95.2	4,638,600	95.2	
Other currencies	301,394	4.8	231,814	4.8	
Total	6,276,624	100.0	4,870,414	100.0	

A 5% increase in the relevant currency, starting on the balance sheet date and applicable for every currency, would result in a profit increase for the reporting period as shown in the table below.

(amounts x € 1)		2019		2018	
Currency	Amount	% of the NAV	Amount	% of the NAV	
US dollar	298,762	4.8	231,930	4.8	

A 5% decrease in a currency would have an impact of the same magnitude in the opposite direction.

VanEck Vectors™ Morningstar North America Equal Weight UCITS ETF

Market risk

The risk as a result of changes in market prices is limited by diversifying the investments in the portfolio as much as possible by region and sector.

Portfolio distribution by sector

(amounts x € 1)		2019		2018	
Sector	Amount	% of the NAV	Amount	% of the NAV	
Non-cyclical consumer goods	1,636,373	25.9	1,411,738	29.0	
Financial	1,084,114	17.3	779,438	16.0	
Technology	888,541	14.2	583,259	12.0	
Industry	841,484	13.4	686,497	14.1	
Communication	743,961	11.9	568,476	11.7	
Cyclical consumer goods	472,408	7.5	442,555	9.1	
Other sectors	599,704	9.6	388,815	7.9	
Total	6,266,585	99.8	4,860,778	99.8	

A 5% increase in the relevant sector, starting on the balance sheet date and applicable for every sector, would result in a profit increase for the reporting period as shown in the table below.

(amounts x € 1)		2019		2018	
Sector	Amount	% of the NAV	Amount	% of the NAV	
Non-cyclical consumer goods	81,819	1.3	70,587	1.4	
Financial	54,206	0.9	38,972	0.8	
Technology	44,427	0.7	29,163	0.6	
Industry	42,074	0.7	34,325	0.7	
Communication	37,198	0.6	28,424	0.6	
Cyclical consumer goods	23,620	0.4	22,128	0.5	

A 5% decrease in the sector would have an impact of the same magnitude in the opposite direction.

Interest rate risk

The Sub-fund does not invest in fixed-interest financial instruments and is consequently not exposed to significant interest rate risk.

Cash flow risk

Cash flow risk is the risk that future cash flows associated with a monetary financial instrument will fluctuate in size. The Sub-fund does not invest a significant part of the fund assets in monetary financial instruments with variable interest and is therefore not exposed to significant cash flow risk.

Credit risk

Credit risk is the risk that the contract party in a financial instrument will not satisfy its obligation, which means the Sub-fund will have to recognise a financial loss. The amount that best represents the maximum credit risk is € 11,786 (2018: € 10,998).

The Sub-fund does not invest in monetary financial instruments and is consequently not exposed to significant credit risk.

Liquidity risk

Liquidity risk, also called funding risk, is the risk that the legal entity will be unable to secure the financial resources needed to satisfy obligations under the financial instruments. Liquidity risk can arise, for instance, if a financial asset cannot be sold at virtually fair value in the short term.

Shares in the Sub-funds can be bought and sold on Euronext Amsterdam, whereby the Liquidity Provider ensures that there is both a bid and ask price at which the share can be traded. The Sub-fund's investments are likewise listed. Consequently the Sub-fund is not exposed to significant liquidity risk.

8. Cost section**OCF (ongoing charges figure)**

The OCF is a measure of the ongoing costs charged to the Sub-fund during the reporting period. The following starting points are important for calculating the ongoing charges:

- The OCF shows the ratio of ongoing costs to average intrinsic value. The ongoing charges encompass all costs charged to the fund assets during the reporting period, with the exception of the spread applied for the entry and exit of shareholders, any performance fees and transaction costs of investments and interest charges on bank accounts. Performance fees must be presented separately, if applicable. No performance fee applies for the VanEck UCITS ETFs.
- The average intrinsic value is based on the intrinsic values on every day that the intrinsic value of the Sub-fund is determined during the reporting period.

(amounts x € 1.000)	2019	2018
Average intrinsic value	5,725,465	5,140,924
Total costs within the Sub-fund	11,462	10,266
OCF	0.20%	0.20%

Comparison of costs to prospectus over 2019 financial year

(amounts x € 1)	Amount	%	Prospectus
Total costs within the Sub-fund	11,462	0.20%	0.20%

The percentage is calculated with respect to the average assets as used for the OCF.

Portfolio Turnover ratio

The Portfolio Turnover ratio (PTR) gives an indication of the turnover rate of the Sub-fund's portfolio. This indicator gives an impression of the relative transaction costs involved in the differences in portfolio management.

The PTR is calculated as follows:

$$[(\text{Total 1} - \text{Total 2}) / X] * 100$$

Total 1: the total amount in securities transactions (securities purchases + securities sales)

Total 2: the total amount in transactions (issue + purchases) of participation rights in the investment institution

X: the average intrinsic value of the investment institution.

A PTR of 43.4% is calculated using this formula (2018: 44.6%). This means that in 2019, purchases and sales took place in the amount of 0.4 times the average intrinsic value of the Sub-fund. This amount has been corrected for the regular purchases and sales performed on account of subscriptions and redemptions.

VanEck Vectors™ ETFs N.V.

Series N

**VanEck Vectors™ Morningstar Developed Markets Dividend Leaders UCITS
ETF**

Annual Report 2019

5.19 Financial statements as of 31 December

5.19.1. Balance sheet (before result appropriation)

(amounts x € 1)		2019	2018
ASSETS			
<u>Investments</u>			
Shares		33,414,484	22,471,442
Property shares		399,051	168,920
Investments	{1}	33,813,535	22,640,362
Cash and cash equivalents	{2}	77,680	5,314
Receivables	{3}	118,996	96,561
Total assets		34,010,211	22,742,237
Equity			
Issued capital		11,500	9,000
Share premium reserve		31,737,462	24,756,512
General reserve		(3,376,902)	(280,305)
Result		5,601,229	(1,777,597)
Total equity	{4}	33,973,289	22,707,610
LIABILITIES			
Other payables	{5}	36,922	34,627
Total liabilities		36,922	34,627
Total equity and liabilities		34,010,211	22,742,237

The numbers next to the items refer to the notes to the balance sheet and statement of comprehensive income. The notes form an integral part of the financial statements.

5.19.2. Statement of comprehensive income

(amounts x € 1)	2019	2018
Investment result		
Changes in the value of investments	4,251,006	(2,793,896)
Interest income	216	160
Interest expense	(889)	(1,242)
Dividend income	1,457,344	1,112,510
Foreign exchange differences	2,854	(946)
Total investment result	5,710,531	(1,683,414)
Management costs {8}	(106,697)	(91,180)
Transaction costs	(2,605)	(3,003)
Total expenses	(109,302)	(94,183)
Total result	5,601,229	(1,777,597)

The numbers next to the items refer to the notes to the balance sheet and statement of comprehensive income. The notes form an integral part of the financial statements.

5.19.3. Cash flow statement

(amounts x € 1)	2019	2018
Purchases of investments	(18,547,749)	(19,841,713)
Sales of investments	11,625,582	12,950,811
Interest paid or accrued interest purchased	(672)	(1,084)
Dividends received	1,434,908	1,079,204
Management costs paid	(103,263)	(90,315)
Other payments	(2,605)	(5,138)
Cash flow from operating activities	(5,593,799)	(5,908,235)
Issue of shares	6,983,450	7,025,860
Dividend distribution	(1,320,139)	(1,112,214)
Net cash flow from financing activities	5,663,311	5,913,646
Foreign exchange differences	2,854	(946)
Net cash flow	72,366	4,465
Cash and cash equivalents at beginning of the period	5,314	849
Cash and cash equivalents at end of the period	77,680	5,314

The notes form an integral part of the financial statements.

5.19.4. Statement of changes in equity

(amounts x € 1)	2019	2018
Capital		
Opening balance	9,000	6,500
Issue of shares	2,500	2,500
Closing balance	11,500	9,000
Share premium		
Opening balance	24,756,512	17,733,152
Issue of shares	6,980,950	7,023,360
Closing balance	31,737,462	24,756,512
General reserve		
Opening balance	(280,305)	351,676
Unappropriated result from previous financial year	(1,777,597)	478,019
Dividend distribution	(1,319,000)	(1,110,000)
Closing balance	(3,376,902)	(280,305)
Opening balance total	22,707,610	18,569,347
Issue of shares	6,983,450	7,025,860
Dividend distribution	(1,319,000)	(1,110,000)
Result	5,601,229	(1,777,597)
Closing balance total	33,973,289	22,707,610
Numbers of shares		
Opening balance	900,000	650,000
Issue of shares	250,000	250,000
Closing balance	1,150,000	900,000

5.19.5. Notes**Accounting policies**

For the accounting policies used for the financial statements, refer to the Company's accounting policies as set out in chapter 5.5.

Notes to the balance sheet and statement of comprehensive income**1. Investments****Summary of changes in the investments according to characteristic of financial instrument**

(amounts x € 1)	Shares	Property shares	Total 2019
Opening balance	22,471,442	168,920	22,640,362
Purchases of investments	18,162,464	385,285	18,547,749
Sales of investments	(11,452,819)	(172,763)	(11,625,582)
Changes in value	4,233,397	17,609	4,251,006
Total	33,414,484	399,051	33,813,535

Summary of changes in the investments according to characteristic of financial instrument

(amounts x € 1)	Shares	Property shares	Total 2018
Opening balance	18,488,485	54,871	18,543,356
Purchases of investments	19,685,643	156,070	19,841,713
Sales of investments	(12,913,691)	(37,120)	(12,950,811)
Changes in value	(2,788,995)	(4,901)	(2,793,896)
Total	22,471,442	168,920	22,640,362

The table below provides an analysis of the financial instruments valued at fair value, per valuation method.

Composition of investments according to valuation technique

(amounts x € 1)	2019	2018
Level 1	33,813,535	22,640,362
Total	33,813,535	22,640,362

All the investments of the Sub-fund are listed and therefore classified as level 1 investments.

Composition of investments

(amounts x € 1)		2019	
	Currency	Market value	% of NAV
Shares			
AT&T Inc	USD	1,679,135	4.9
HSBC Holdings PLC	GBP	1,545,409	4.5
Verizon Communications Inc	USD	1,445,048	4.3
Total SA	EUR	1,388,227	4.1
AbbVie Inc	USD	1,187,264	3.5
British American Tobacco PLC	GBP	1,185,551	3.5
Altria Group Inc	USD	1,103,222	3.2
IBM Inc	USD	1,047,841	3.1
GlaxoSmithKline PLC	GBP	967,779	2.8
Allianz SE	EUR	791,482	2.3
Other		21,073,526	62.2
Total shares		33,414,484	98.4
Property shares			
Sun Hung Kai Properties Ltd	HKD	184,140	0.5
Daito Trust Construction Co Ltd	JPY	77,352	0.2
New World Development Co Ltd	HKD	71,960	0.2
Henderson Land Development Co Ltd	HKD	65,599	0.2
Total property shares		399,051	1.1
Total investments		33,813,535	99.5

2. Cash and cash equivalents

At 31 December 2019 there are no restrictions on the use of the cash and cash equivalents.

3. Receivables

(amounts x € 1)		2019	2018
Interest receivable		1	2
Dividend receivable		118,995	96,559
Total		118,996	96,561

4. Summary of changes in the assets under management

(amounts x € 1)	2019	2018
Opening balance	22,707,610	18,569,347
Issue of shares	6,983,450	7,025,860
Dividend distribution	(1,319,000)	(1,110,000)
Interest income	216	160
Interest expense	(889)	(1,242)
Dividend income	1,457,344	1,112,510
Changes in the value of investments	4,251,006	(2,793,896)
Management fee	(106,697)	(91,180)
Exchange rate differences	2,854	(946)
Other expenses	(2,605)	(3,003)
Closing balance	33,973,289	22,707,610

5. Other payables

(amounts x € 1)	2019	2018
Management costs payable	10,946	7,512
Dividend tax payable	24,476	25,615
Other short-term debts	1,500	1,500
Total	36,922	34,627

6. Affiliated parties

A party is an affiliated party if one party can exercise control over the other party or exert significant influence on the other party's financial and operational policy.

VanEck Asset Management B.V. is the Company's director according to the articles of association and acts as Manager of the Company.

The management costs include all costs relating to the management of a fund, such as the management fee, costs of the custodial bank and the payment office, the listing costs, auditor's fee, costs of the purchase and issue of shares, the costs of having the Sub-funds correspond to the relevant index and the administration costs. The management costs are deducted daily from the definitive Net Intrinsic Value of a share in a Sub-fund. The management costs for the period from 1 January 2019 to 31 December 2019 amount to € 106,697 (in 2018: € 91,180).

7. Risks with regard to the financial instruments**Price risk**

In terms of price risk, a distinction can be made between:

- Currency risk, which is the risk that the value of a financial instrument will fluctuate as the result of changes in exchange rates;
- Market risk, which is the risk that the value of a financial instrument will fluctuate as the result of changes in market prices caused by factors that apply exclusively for the individual instrument or emitting party, or by factors that affect all instruments traded on the market;
- Interest rate risk, which is the risk that the value of a financial instrument will fluctuate as the result of changes in the market interest rate.

The notion of price risk encompasses not only the likelihood of losses, but also the likelihood of gains.

Currency risk

The fund has investments denominated in foreign currency and is therefore exposed to significant currency risk.

(amounts x € 1)		2019		2018	
Currency	Amount	% of the NAV	Amount	% of the NAV	
Euro	8,775,042	25.9	6,344,935	28.0	
US dollar	8,574,931	25.2	5,698,886	25.1	
British pound	6,736,963	19.8	5,117,934	22.5	
Japanese yen	3,188,122	9.4	1,768,594	7.8	
Other currencies	6,698,231	19.7	3,777,261	16.6	
Total	33,973,289	100.0	22,707,610	100.0	

A 5% increase in the relevant currency, starting on the balance sheet date and applicable for every currency, would result in a profit increase for the reporting period as shown in the table below.

(amounts x € 1)		2019		2018	
Currency	Amount	% of the NAV	Amount	% of the NAV	
US dollar	428,747	1.3	284,944	1.3	
British pound	336,848	1.0	255,897	1.1	
Japanese yen	159,406	0.5	88,430	0.4	

A 5% decrease in a currency would have an impact of the same magnitude in the opposite direction.

VanEck Vectors™ Morningstar Developed Markets Dividend Leaders UCITS ETF

Market risk

The risk as a result of changes in market prices is limited by diversifying the investments in the portfolio as much as possible by region and sector.

Portfolio distribution by sector

(amounts x € 1)		2019		2018	
Sector	Amount	% of the NAV	Amount	% of the NAV	
Financial	12,296,466	36.2	6,369,435	28.0	
Non-cyclical consumer goods	5,281,359	15.5	2,334,115	10.3	
Communication	4,165,456	12.3	2,882,070	12.7	
Basic materials	3,878,695	11.4	2,753,963	12.1	
Cyclical consumer goods	2,779,059	8.2	1,603,511	7.1	
Energy	2,392,577	7.0	4,164,981	18.3	
Other sectors	3,019,923	8.9	2,532,287	11.2	
Total	33,813,535	99.5	22,640,362	99.7	

A 5% increase in the relevant sector, starting on the balance sheet date and applicable for every sector, would result in a profit increase for the reporting period as shown in the table below.

(amounts x € 1)		2019		2018	
Sector	Amount	% of the NAV	Amount	% of the NAV	
Financial	614,823	1.8	318,472	1.4	
Non-cyclical consumer goods	264,068	0.8	116,706	0.5	
Communication	208,273	0.6	144,104	0.6	
Basic materials	193,935	0.6	137,698	0.6	
Cyclical consumer goods	138,953	0.4	80,176	0.4	
Energy	119,629	0.4	208,249	0.9	

A 5% decrease in the sector would have an impact of the same magnitude in the opposite direction.

Portfolio distribution by country

(amounts x € 1)		2019		2018	
Country	Amount	% of the NAV	Amount	% of the NAV	
United States	8,560,763	25.2	5,701,228	25.1	
United Kingdom	6,704,845	19.7	5,111,803	22.5	
France	3,679,299	10.8	2,095,856	9.2	
Germany	3,271,490	9.6	1,884,612	8.3	
Japan	3,183,438	9.4	1,768,526	7.8	
Other countries	8,413,700	24.8	6,078,337	26.8	
Total	33,813,535	99.5	22,640,362	99.7	

A 5% increase due to specific political or economical circumstances in the relevant country, starting on the balance sheet date and applicable for every country, would result in a profit increase for the reporting period as shown in the table below.

(amounts x € 1)		2019		2018	
Country	Amount	% of the NAV	Amount	% of the NAV	
United States	428,038	1.3	285,061	1.3	
United Kingdom	335,242	1.0	255,590	1.1	
France	183,965	0.5	104,793	0.5	
Germany	163,575	0.5	94,231	0.4	
Japan	159,172	0.5	88,426	0.4	

A 5% decrease in a country would have an impact of the same magnitude in the opposite direction.

Interest rate risk

The Sub-fund does not invest in fixed-interest financial instruments and is consequently not exposed to significant interest rate risk.

Cash flow risk

Cash flow risk is the risk that future cash flows associated with a monetary financial instrument will fluctuate in size. The Sub-fund does not invest a significant part of the fund assets in monetary financial instruments with variable interest and is therefore not exposed to significant cash flow risk.

Credit risk

Credit risk is the risk that the contract party in a financial instrument will not satisfy its obligation, which means the Sub-fund will have to recognise a financial loss. The amount that best represents the maximum credit risk is € 196,676 (2018: € 101,875).

The Sub-fund does not invest in monetary financial instruments and is consequently not exposed to significant credit risk.

Liquidity risk

Liquidity risk, also called funding risk, is the risk that the legal entity will be unable to secure the financial resources needed to satisfy obligations under the financial instruments. Liquidity risk can arise, for instance, if a financial asset cannot be sold at virtually fair value in the short term.

Shares in the Sub-funds can be bought and sold on Euronext Amsterdam, whereby the Liquidity Provider ensures that there is both a bid and ask price at which the share can be traded. The Sub-fund's investments are likewise listed. Consequently the Sub-fund is not exposed to significant liquidity risk.

8. Cost section**OCF (ongoing charges figure)**

The OCF is a measure of the ongoing costs charged to the Sub-fund during the reporting period. The following starting points are important for calculating the ongoing charges:

- The OCF shows the ratio of ongoing costs to average intrinsic value. The ongoing charges encompass all costs charged to the fund assets during the reporting period, with the exception of the spread applied for the entry and exit of shareholders, any performance fees and transaction costs of investments and interest charges on bank accounts. Performance fees must be presented separately, if applicable. No performance fee applies for the VanEck UCITS ETFs.
- The average intrinsic value is based on the intrinsic values on every day that the intrinsic value of the Sub-fund is determined during the reporting period.

(amounts x € 1.000)	2019	2018
Average intrinsic value	28,049,230	23,996,262
Total costs within the Sub-fund	106,697	91,180
OCF	0.38%	0.38%

Comparison of costs to prospectus over 2019 financial year

(amounts x € 1)	Amount	%	Prospectus
Total costs within the Sub-fund	106,697	0.38%	0.38%
Total			

The percentage is calculated with respect to the average assets as used for the OCF.

Portfolio Turnover ratio

The Portfolio Turnover ratio (PTR) gives an indication of the turnover rate of the Sub-fund's portfolio. This indicator gives an impression of the relative transaction costs involved in the differences in portfolio management.

The PTR is calculated as follows:

$$[(\text{Total 1} - \text{Total 2}) / X] * 100$$

Total 1: the total amount in securities transactions (securities purchases + securities sales)

Total 2: the total amount in transactions (issue + purchases) of participation rights in the investment institution

X: the average intrinsic value of the investment institution.

A PTR of 82.7% is calculated using this formula (2018: 107.4%). This means that in 2019, purchases and sales took place in the amount of 0.8 times the average intrinsic value of the Sub-fund. This amount has been corrected for the regular purchases and sales performed on account of subscriptions and redemptions.

6. Other information

Interests of the members of the Board of Directors

The members of the Board of Directors hold positions in the UCITS ETFs of VanEck and in the investments of these UCITS ETFs. The transactions by the members of the Board of Directors in VanEck are reported to the Compliance Officer in accordance with the rules for Private Investing Transactions.

Interests of the members of the Board of Directors	31 December 2019	31 December 2018
Serie A: VanEck Vectors™ AEX UCITS ETF	400	400
Serie B: VanEck Vectors™ AMX UCITS ETF	300	300
Serie C: VanEck Vectors™ Multi-Asset Conservative Allocation UCITS ETF	400	400
Serie D: VanEck Vectors™ Multi-Asset Balanced Allocation UCITS ETF	9,349	1,873
Serie E: VanEck Vectors™ Multi-Asset Growth Allocation UCITS ETF	2,502	2,502
Serie F: VanEck Vectors™ Global Equal Weight UCITS ETF	30,422	28,140
Serie G: VanEck Vectors™ Global Real Estate UCITS ETF	2,817	2,817
Serie H: VanEck Vectors™ iBoxx EUR Corporates UCITS ETF	13,879	6,882
Serie I: VanEck Vectors™ iBoxx EUR Sovereign Diversified 1-10 UCITS ETF	18,095	5,938
Serie J: VanEck Vectors™ iBoxx EUR Sovereign Capped AAA-AA 1-5 UCITS ETF	1,145	1,145
Serie K: VanEck Vectors™ Sustainable World Equal Weight UCITS ETF	214	-
Serie L: VanEck Vectors™ European Equal Weight UCITS ETF	2,405	2,405
Serie M: VanEck Vectors™ Morningstar North America Equal Weight UCITS ETF	1,718	1,718
Serie N: VanEck Vectors™ Morningstar Dev Markets Dividend Leaders UCITS ETF	7,873	7,873
Arcelor Mittal	-	566
Aperam	-	50
DSM	-	322
Ahold	-	208
AEGON	-	472

Altogether, the members of VanEck's Board of Directors have invested approximately 3,1 million in the UCITS ETFs (2018: 1,8 million euros).

Provisions in the articles of association concerning the appropriation of the result

According to article 22 of the articles of association, the company may only make distributions to the shareholders (and any other entitled parties) to the profit available for distribution insofar as the equity of the company exceeds the amount of the paid-up capital of the company plus the reserves that must be maintained pursuant to the law. Distribution of profits takes place after the adoption of the financial statements showing that such distribution is permissible.

From the profit shown by the adopted financial statements, first a dividend is paid out on the priority shares in the amount of four percent (4%) on the nominal amount paid-up on these shares.

Special rights under the articles of association

These are the rights of the holders of priority shares in relation to the pre-emptive right upon the issue of priority shares, the first right to profit distribution as well as the convening of a meeting of holders of priority shares.

22 April 2020,

The Board of Directors,

G. Koning

M. Rozemuller



Independent auditor's report

To: the Board of Directors and General Meeting of Shareholders of VanEck Vectors™ ETFs N.V.

Report on the audit of the financial statements 2019 included in the annual report

Our opinion

In our opinion the accompanying financial statements give a true and fair view of the financial position of VanEck Vectors™ ETFs N.V. as at 31 December 2019 and of its result and its cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited

We have audited the financial statements 2019 of VanEck Vectors™ ETFs N.V. (the Company) based in Amsterdam.

The financial statements comprise:

- 1 Balance sheet as of 31 December 2019;
- 2 Statement of comprehensive income;
- 3 Cash flow statement;
- 4 Statement of changes in equity; and
- 5 the notes comprising a summary of the significant accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of VanEck Vectors™ ETFs N.V. in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Audit approach

Summary

Materiality

- Materiality determined at sub-fund level
- Based on 0.50 – 1.0% of the equity of the individual sub-funds
- Further explanation is included in the Materiality section of our report

Scope of the audit

- Audit procedures performed for the active sub-funds
- Audit procedures on the outsourced business processes

Key audit matters

- Existence and valuation of investments
- Accuracy of the investment income

Opinion

Unqualified

Materiality

Based on our professional judgement we determined the materiality for the financial statements at the level of the sub-funds of VanEck Vectors™ ETFs N.V.

The financial statements of VanEck Vectors™ ETFs N.V. consist of several sub-funds, each with its own investment policy, risk profile and administration, in which investors can participate. The notes to the financial statements of VanEck Vectors™ ETFs N.V. include financial information for each sub-fund.

The materiality is based on the equity of the individual sub-funds. We consider the equity of a sub-fund to be the most appropriate benchmark, because the equity of an investment entity represents the value that an investor could obtain when selling his share of these sub-funds. Changes in value of investments are an important part of the investment income and thus of the result of a sub-fund. Given the dependency on changes in value, both investment income and the result are subject to volatility and therefore a less suitable benchmark for materiality.

The materiality per sub-fund is determined based on the characteristics of the respective sub-fund, including the investment category (0.50% for bond funds, 0.75% for mix funds and 1% for equity funds). The materiality we use per sub-fund can be presented as follows:



Fund name	Materiality as % of equity	Materiality 2019 (EUR x 1,000)	Materiality 2018 (EUR x 1,000)
VanEck Vectors™ AEX UCITS ETF	1%	1,690	1,805
VanEck Vectors™ AMX UCITS ETF	1%	240	304
VanEck Vectors™ Multi-Asset Conservative Allocation UCITS ETF	0.75%	100	62
VanEck Vectors™ Multi-Asset Balanced Allocation UCITS ETF	0.75%	175	123
VanEck Vectors™ Multi-Asset Growth Allocation UCITS ETF	0.75%	110	83
VanEck Vectors™ Global Equal Weight UCITS ETF	1%	10,000	7,892
VanEck Vectors™ Global Real Estate UCITS ETF	1%	2,440	1,881
VanEck Vectors™ iBoxx EUR Corporates UCITS ETF	0,5%	185	352
VanEck Vectors™ iBoxx EUR Sovereign Diversified 1-10 UCITS ETF	0.5%	165	683
VanEck Vectors™ iBoxx EUR Sovereign Capped AAA-AA 1-5 UCITS ETF	0.5%	775	855
VanEck Vectors™ Sustainable World Equal Weight UCITS ETF	1%	3,300	1,285
VanEck Vectors™ European Equal Weight UCITS ETF	1%	435	437
VanEck Vectors™ Morningstar North America Equal Weight UCITS ETF	1%	65	49
VanEck Vectors™ Morningstar Developed Markets Dividend Leaders UCITS ETF	1%	340	277

We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with the Board of Directors (VanEck Asset Management B.V., also the manager) that misstatements in excess of 5% of the calculated materiality per sub-fund which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.



Scope of the audit

Audit procedures performed for the active sub-funds

VanEck Vectors™ ETFs N.V. is an open-end investment company, constructed using an umbrella structure. The ordinary shares of VanEck Vectors™ ETFs N.V. are divided into 26 series of shares (the sub-funds), to which the assets of the company are allocated and in which individual investments can be made. At the balance sheet date, the umbrella structure consists of 14 active sub-funds.

Each sub-fund has its own investment policy, risk profile and price determination. The capital deposited in a separate sub-fund is invested separately and the profit/(loss) of a subfund is for the benefit or account of the holders of the relevant series.

Given our ultimate responsibility for the opinion on the financial statements as a whole, we performed audit procedures for the 14 sub-funds active during the financial year based on the materiality applicable to the individual sub-funds. Based on this work, we have obtained sufficient and appropriate audit evidence about the financial information to provide an opinion on the financial statements as a whole.

Audit procedures on outsourced business processes

VanEck Vectors™ ETFs N.V. has no employees and its portfolio management and risk management are therefore carried out by VanEck Asset Management B.V. (the manager). The financial and investment administration is outsourced to the external service provider KAS BANK N.V. Consequently, the Fund is primarily dependent on KAS BANK N.V. for generating financial information. We are responsible for obtaining sufficient and appropriate audit evidence about the services provided by KAS BANK N.V., therefore we have obtained insight into the nature and significance of these services provided. Based on this, we identify risks of material misstatement and perform audit procedures to respond to those risks.

In performing our audit, we use the work performed by the external auditor of KAS BANK N.V. on the administrative organization and internal controls of KAS BANK N.V. relevant to VanEck Vectors™ ETFs N.V. and the report drawn up specifically for this purpose (the so-called ISAE 3402 type II report). Our audit procedures include – amongst others – determining the minimum expected internal controls at KAS BANK N.V. and determining the existence and operating effectiveness of these internal controls based on the report audited by the external auditor.

The aforementioned activities on the outsourced business processes and additional procedures performed by us have shown that the internal controls relevant to VanEck Vectors™ ETFs N.V. within the processes of KAS BANK N.V. is sufficient to be used in performing our audit of the financial statements of VanEck Vectors™ ETFs N.V.



Audit scope in relation to fraud

In accordance with the Dutch standards on auditing we are responsible for obtaining a high (but not absolute) level of assurance that the financial statements taken as a whole are free from material misstatement, whether caused by fraud or error.

As part of our risk assessment process we have evaluated events or conditions that indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud ('fraud risk factors') to determine whether fraud risks are relevant to our audit.

We communicated identified fraud risks throughout our team and remained alert to any indications of fraud throughout the audit.

In accordance with the auditing standard we evaluated the fraud risks that are relevant to our audit:

- revenue recognition (a presumed risk)
- management override of controls (a presumed risk)

The presumed risk for revenue recognition is not present since the Company invests in listed securities on regulated markets and has involvement of third parties like custodian and depositary in the dividend and interest income transactions. We therefore consider the risk of material misstatement as low.

Our audit procedures included an evaluation of the design, implementation as well as the operating effectiveness of internal controls relevant to mitigate the risk related to management override of controls and substantive audit procedures, including detailed testing of high risk journal entries as part the evaluation of management bias. In determining the audit procedures we will make use of the Company's evaluation in relation to fraud risk management (prevention, detections and response), including the set-up of ethical standards to create a culture of honesty.

As part of our evaluation of any instances of fraud, we inspected the incident register/whistle blowing reports and follow up by management.

We communicated our risk assessment and audit response to the Board of Directors. Our audit procedures differ from a specific forensic fraud investigation, which investigation often has a more in-depth character.

Our procedures to address fraud risks did not result in the identification of a key audit matter.

We do note that our audit is based on the procedures described in line with applicable auditing standards and are not primarily designed to detect fraud.

Audit scope in relation to non-compliance with laws and regulations

We have evaluated facts and circumstances in order to assess laws and regulation relevant to the company.

We identified laws and regulations that could reasonably be expected to have a material effect on the financial statements based on our general understanding and sector experience, through



discussion with relevant management and evaluating the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. The potential effect of these laws and regulations on the financial statements varies considerably:

- Firstly, the company is subject to laws and regulations that directly affect the financial statements including taxation and financial reporting (including related company legislation). We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.
- Secondly, the company is subject to many other laws and regulations where the consequences of non-compliance could have an indirect material effect on amounts recognized or disclosures provided in the financial statements, or both, for instance through the imposition of fines or litigation.

We identified the following areas as those most likely to have such an indirect effect:

- The requirements by or pursuant to the Act on Financial Supervision (Wet op het financieel toezicht).
- The anti-money laundering laws and regulations (Wet ter voorkoming van witwassen en financieren van terrorisme, Wwft).

Auditing standards limit the required audit procedures to identify non-compliance with laws and regulations that have an indirect effect to inquiring of relevant management and inspection of regulatory and legal correspondence, if any. Through these procedures, we did not identify any additional actual or suspected non-compliance other than those previously identified by the company in each of the above areas. We considered the effect of actual or suspected non-compliance as part of our procedures on the related financial statement items.

Our procedures to address compliance with laws and regulations did not result in the identification of a key audit matter.

Besides the procedures based on auditing standards, we performed an assurance engagement to assess compliance with the investments restrictions of the UCITS directive as included in articles 130 up to and including 143 of the Besluit Gedragstoezicht financiële ondernemingen Wft ('BGfo').

We do note that our audit is not primarily designed to detect non-compliance with laws and regulations and that management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to errors or fraud, including compliance with laws and regulations.

The more distant non-compliance with indirect laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there



remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

Our key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the Board of Directors. The key audit matters are not a comprehensive reflection of all matters discussed.

These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Existence and valuation of investments

Description

The investments of the Company comprise 99% of the balance sheet total. These investments are valued at fair value based on market information. Therefore, the valuation of the investments has a significant impact on the financial results of the Fund. The determination of the fair value is disclosed in section 5.5 "Notes" of the financial statements. We assess the risk of a material misstatement in the valuation of the investments as low due to the fact that the portfolio consists of liquid, listed investments which are traded on an active market. Due to the amount of the investments in relation to the financial statements as a whole we identify the existence and valuation of investments as a key audit matter.

Our response

Our audit procedures consisted of the following:

- determining the existence of the investments by obtaining an external confirmation from the custodian as per balance sheet date;
- determining that the used value is based on the method which is defined for the relevant investment category. We performed this procedure by comparing the used valuations of the investments with our independent valuation which is based on observable market prices. In performing these procedures we have used our valuation specialists.

Furthermore we assessed whether the sufficiency of the disclosure in the financial statements as included in the notes to the financial information of the individual sub-funds in section 1 "Investments".

Our observation

The outcome of our procedures is that the investments exist and we observed that the Company's valuation of the investments resulted in an acceptable valuation of the investments in the financial statements. The disclosure of the composition and summary of changes of the



investments included in section 1 of the financial information of the individual sub-funds is sufficient.

Accuracy of the investment result

Description

The investment result mainly consists of the changes in the value of investments, interest income, dividend income and for a smaller amount interest expense and foreign exchange differences. The investment result is based on the principles for valuation and determination of results as explained in the notes under 'Accounting policies for the statement of comprehensive income'. The investment result largely determines the performance of the sub-fund. In the audit 2019, the changes in the value of investments – as part of the investment result – were identified and assessed as financial statement accounts that do not contain a risk of material misstatement, given the nature of the underlying transactions and the correlation with the valuation of investments already included in the previous key audit matter. For that reason we consider the accuracy of the investment income as a key audit matter of our audit.

Our response

Our audit procedures included:

- determining the design and implementation and the test of operating effectiveness of the internal control measures at the administrator KAS BANK N.V., as described in section 'Audit procedures on outsourced business processes';
- determining the accuracy of the investment income by applying data analysis techniques in which an expected outcome is determined based on the composition of the investments in combination with the marketable information on investment income, which is then compared with the recognised return on investments. We have engaged our specialists for this procedure.

Furthermore we assessed whether the disclosure of chapter 5.5 "Notes" is in accordance with the accounting policies

Our observation

Based on our procedures performed we conclude that the investment income has been recognised accurately and that the disclosure of the investment income is sufficient.

Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements; and
- contains the information as required by Part 9 of Book 2 of the Dutch Civil Code.



We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is less than the scope of those performed in our audit of the financial statements.

The Board of Directors is responsible for the preparation of the other information, including the information as required by Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements

Engagement

We have been engaged by the Board of Directors with the approval of the General Meeting of Shareholders as auditor of VanEck Vectors™ ETFs N.V. (formerly known as ThinkCapital ETF's N.V.) on 31 May 2010, as of the audit for the year 2010 and have operated as statutory auditor ever since that financial year.

No prohibited non-audit services

We have not provided prohibited non-audit services as referred to in Article 5(1) of the EU Regulation on specific requirements regarding statutory audits of public-interest entities.

Description of responsibilities regarding the financial statements

Responsibilities of the Board of Directors for the financial statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the Board of Directors is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the Board of Directors should prepare the financial statements using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.



Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

A further description of our responsibilities for the audit of the financial statements is included in the appendix of this auditor's report. This description forms part of our auditor's report.

Utrecht, 21 April 2020

KPMG Accountants N.V.

G.J. Hoeve RA

Appendix:

Description of our responsibilities for the audit of the financial statements



Appendix

Description of our responsibilities for the audit of the financial statements

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;
- concluding on the appropriateness of the Board of Directors' use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit. In this respect we also submit an additional report to the Board of Directors (also responsible for the audit committee tasks) in accordance with Article 11 of the EU Regulation on specific requirements regarding statutory audits of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

We provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other



matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine the key audit matters: those matters that were of most significance in the audit of the financial statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

