

PRIIPs KIDs for VanEck's UCITS

Key information documents for packaged retail and insurance-based investment products ("PRIIPs KIDs") will be a regulatory required document for all UCITS offered to private investors starting 1 January 2023 as per Regulation (EU) No 1286/2014 supplemented by the latest regulatory technical standards.

What are PRIIPs KIDs?

A PRIIPs KID is a document designed to help investors to better understand investment products and to be able to compare it to similar products. It is not a Marketing document, but instead aims to increase investor protection by improving transparency on the nature of the product, risks and costs of investing as well as potential returns and losses.

The PRIIPs KID will replace the UCITS KIID as current key information document. From 1 January 2023 UCITS KIDs will not be provided for investors from your country of residence.

How does the PRIIPs KID differ from the UCITS KIID?

The three key changes are the different risk indicator, the introduction of performance scenarios and the breakdown of different kinds of costs.

Summary Risk Indicator (SRI)

While the disclosure looks very similar to the UCITS KIID and the indicators in both documents range from 1 to 7, the methodology of calculating risk significantly differs from the calculation method used in UCITS KIIDs. This might lead to your product being assigned to a different - usually lower - risk category than the one displayed in the latest UCITS KIID. This does not necessarily mean that the risk of investing in such product actually changed. The main reason for this is the change in the underlying calculation methodology.

Performance scenarios

While the UCITS KID used to inform investors about past performance, the PRIIPs KID must include forward looking performance scenarios.

The performance scenarios show depending on the recommended holding period and based on a certain sample investment what investors might get back in a stress, unfavourable, moderate and favourable scenario.

Information on past performance is still available to investors via a link provided in the PRIIPs KID. Past performance information is updated monthly.

Costs

The Entry and Exit Costs will continue being provided to all investors in the new PRIIPs KID. The same applies to performance fees, which have never been relevant to any VanEck UCITS. However the single ongoing charges figure is now further defined and broken down into different components: Management Fees and other administrative or operating costs as well as transaction costs. One further significant change is that the fees must be disclosed in both monetary and percentage terms calculated on the presumption of a defined investment amount. The different costs are shown in two tables and aim to give investors an indication on costs at the end of the recommended holding period and/or after one year.



How can I contact VanEck?

If you have any queries concerning the matters outlined in this page, please contact your local agent, or (if none) VanEck at EMEAsales@vaneck.com.

With kind regards,

VanEck Asset Management B.V.

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