

# EXPLANATION OF HOW KEY ELEMENTS OF THE BENCHMARK METHODOLOGY REFLECT ENVIRONMENTAL, SOCIAL, AND GOVERNANCE (ESG) FACTORS

Solactive Just Transition Select Index PR



This document provides an explanation of how the key elements of the benchmark methodology reflect ESG factors. It is compiled in accordance with the requirements of point (d) of Article 13 (1) of Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 (the "Benchmarks Regulation") and of the Commission Delegated Regulation (EU) 2020/1817.

## General Information

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| <b>Name of the benchmark administrator</b>   | Solactive AG                              |
| <b>Type of benchmark or family of benchmarks</b>   | Equity                                    |
| <b>Name of the benchmark or family of benchmarks</b>   | Solactive Just Transition Select Index PR |
| <b>Does the benchmark methodology for the benchmark or family of benchmarks take into account ESG factors?</b> | Yes                                       |

## ESG Factors Applied in the Benchmark Methodology

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|---|--|
| <b>List of environmental factors considered</b> | <ul style="list-style-type: none"><li>&gt; Only companies that are part of the JUST TRANSITION universe are eligible for inclusion in the index. The JUST TRANSITION universe includes companies (i) with a JUST TRANSITION SCORE &gt; 50 and absolute CO2 equivalent emissions up to (and excluding) 10,000,000 tonnes and (ii) with a JUST TRANSITION SCORE &gt; 60 and absolute CO2 equivalent emissions &gt;= 10,000,000 tonnes</li><li>&gt; The JUST TRANSITION SCORE is based on the following set of ESG criteria: (i) Energy Transition score, (ii) integration of social factors in the supply chain score, (iii) promotion of social and economic development score, (iv) promotion of labour relations, (v) responsible management of restructuring, (vi) career management and promotion of employability, (vii) respect for human rights standards and prevention of violations, (viii) respect for freedom of association and the right to collective bargaining</li><li>&gt; Exclusion of companies that have critical controversies in any of the ESG criteria used in the construction of the JUST TRANSITION SCORE</li><li>&gt; Exclusion of companies that fail to meet the Febelfin (Fédération belge du secteur financier) quality standards on sustainable and socially responsible investment</li></ul> |
| <b>List of social factors considered</b>        | <ul style="list-style-type: none"><li>&gt; Only companies that are part of the JUST TRANSITION universe are eligible for inclusion in the index. The JUST TRANSITION universe includes companies (i) with a JUST TRANSITION SCORE &gt; 50 and absolute CO2 equivalent emissions up to (and excluding) 10,000,000 tonnes and (ii) with a JUST TRANSITION SCORE &gt; 60 and absolute CO2 equivalent emissions &gt;= 10,000,000 tonnes</li><li>&gt; The JUST TRANSITION SCORE is based on the following set of ESG criteria: (i) Energy Transition score, (ii) integration of social factors in the supply chain score, (iii) promotion of social and economic development score, (iv) promotion of labour relations, (v) responsible management of restructuring, (vi) career management and promotion of employability, (vii) respect for human rights standards and prevention of violations, (viii) respect for</li></ul>   |



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|--|--|
|  | <p>freedom of association and the right to collective bargaining</p> <ul style="list-style-type: none"> <li>&gt; Exclusion of companies that have critical controversies in any of the ESG criteria used in the construction of the JUST TRANSITION SCORE</li> <li>&gt; Exclusion of companies that fail to meet the Febelfin (Fédération belge du secteur financier) quality standards on sustainable and socially responsible investment</li> </ul>  |
| <b>List of governance factors considered</b> | <ul style="list-style-type: none"> <li>&gt; The JUST TRANSITION SCORE is based on the following set of ESG criteria: (i) Energy Transition score, (ii) integration of social factors in the supply chain score, (iii) promotion of social and economic development score, (iv) promotion of labour relations, (v) responsible management of restructuring, (vi) career management and promotion of employability, (vii) respect for human rights standards and prevention of violations, (viii) respect for freedom of association and the right to collective bargaining</li> <li>&gt; The JUST TRANSITION SCORE is based on the following set of ESG criteria: (i) Energy Transition score, (ii) integration of social factors in the supply chain score, (iii) promotion of social and economic development score, (iv) promotion of labour relations, (v) responsible management of restructuring, (vi) career management and promotion of employability, (vii) respect for human rights standards and prevention of violations, (viii) respect for freedom of association and the right to collective bargaining</li> <li>&gt; Exclusion of companies that have critical controversies in any of the ESG criteria used in the construction of the JUST TRANSITION SCORE</li> <li>&gt; Exclusion of companies that fail to meet the Febelfin (Fédération belge du secteur financier) quality standards on sustainable and socially responsible investment</li> </ul> |

## Data and Standards used

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| <b>Data Input</b>                       | The data used to construct the index is sourced externally from Vigeo Eiris  |
| <b>Verification and quality of data</b> | The provider of ESG-related data input is selected by the Administrator based on an assessment of its existing processes in order to ensure the reliability and representativeness of the ESG-related data. The data provider has established processes in accordance with accepted and established market standards that ensure the permanent quality and reliability of the ESG-data provided. |
| <b>Reference standards</b>              | International standards referenced by the index methodology are listed in the respective section above.  |
| <b>Information updated on</b>           | 23/02/2024   |
| <b>Reason for update:</b>               | Initial document creation  |

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