

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

Solactive Cure, Health and Wellbeing Index NTR



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

<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 Cure, Health and Wellbeing Index NTR
<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

<b>List of environmental factors considered</b>	<ul style="list-style-type: none"><li>&gt; Exclusion of companies with verified ongoing failure to respect established international norms. The core normative framework consists of the Principles of the UN Global Compact and the OECD Guidelines for Multinational Enterprises.</li><li>&gt; Exclusion of companies involved in the exploration, production, services, and distribution of thermal coal (in proportion to their total revenues) &gt;0%.</li><li>&gt; Exclusion of companies generating revenues from any thermal coal related activities. Any involvement in mining.</li><li>&gt; Exclusion of companies with any involvement in Hydraulic Fracturing, Oil Sands or Arctic Drilling.</li><li>&gt; Exclusion of any companies that derive 5% or more of their revenue from the production of oil and gas, as well as companies that derive more than 0% but less than 5% from gas-and oil production if they do not have GHG reduction targets aligned with a well-below 2°C or 1.5°C assessed by ISS ESG research.</li><li>&gt; Exclusion of companies that are involved in the in generation of power from non-renewable energy sources or providing services if the production /capacity for coal-based or nuclear-based energy increases and if their absolute production /capacity of renewable services is not increasing and if they either do not have GHG reduction targets aligned with a well-below 2°C or 1.5°C assessed by ISS ESG research or generate &lt;50% of their revenue from Renewable Energy activities in line with EU Taxonomy or from renewable energy activities in general.</li><li>&gt; Investment in TOP 70% of the ESG Performance Score provided by ISS ESG Research.</li><li>&gt; Exclusion of companies with more than 315 TCO2/GWh Carbon Intensity.</li></ul>
<b>List of social factors considered</b>	<ul style="list-style-type: none"><li>&gt; Exclusion of companies with verified ongoing failure to respect established international norms. The core normative framework consists of the Prin-</li></ul>



	<p>principles of the UN Global Compact, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles for Business and Human Rights.</p> <ul style="list-style-type: none"><li>&gt; Exclusion of companies with verified ongoing involvement in the area of controversial weapons (including chemical, biological and nuclear weapons (both under and outside the Treaty on the Non-Proliferation of Nuclear Weapons), depleted uranium munitions, cluster munitions, and anti-personnel mines).</li><li>&gt; Exclusion of companies generating revenues (in proportion to their total revenues) &gt;5% from involvement in the sector of military equipment.</li><li>&gt; Exclusion of companies generating revenues (in proportion to their total revenues) &gt;25% of production, owning, operation of establishments or distribution of adult entertainment.</li><li>&gt; Exclusion of companies generating revenues (in proportion to their total revenues) &gt;5% from involvement in the sector of civilian firearms.</li><li>&gt; Exclusion of companies generating revenues from the production of, distribution of or services for tobacco.</li><li>&gt; Exclusion of companies generating revenues (in proportion to their total revenues) &gt;25% of production, owning, operation of establishments or distribution of adult entertainment.</li><li>&gt; Exclusion of companies generating revenues (in proportion to their total revenues) &gt;25% from owning, operating establishments, production, or provision of support for gambling.</li><li>&gt; Investment in TOP 70% of the ESG Performance Score provided by ISS ESG Research.</li><li>&gt; Exclusion of companies assigned to the Casino/Gaming Sector.</li><li>&gt; Exclusion of companies assigned to the Aerospace &amp; Defense Sector.</li></ul>
<b>List of governance factors considered</b>	<ul style="list-style-type: none"><li>&gt; Exclusion of companies with verified ongoing failure to respect established international norms. The core normative framework consists of the Principles of the UN Global Compact, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles for Business and Human Rights.</li><li>&gt; Investment in TOP 70% of the ESG Performance Score provided by ISS ESG Research.</li></ul>

## Data and Standards used

<b>Data Input</b>	The data used to construct the index is sourced externally from Institutional Shareholder Services Inc.
<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>	New index launch.

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