

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

Solactive Kepler Cheuvreux Europe Green Transition 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

Name of the benchmark administrator	Solactive AG
Type of benchmark or family of benchmarks	Equity
Name of the benchmark or family of benchmarks	Solactive Kepler Cheuvreux Europe Green Transition Index NTR
Does the benchmark methodology for the benchmark or family of benchmarks take into account ESG factors?	Yes

ESG Factors Applied in the Benchmark Methodology

List of environmental factors considered	<ul style="list-style-type: none">> Securities of companies whose economic activities are either currently controversial or assessed as contrary to the energy and ecological transition as defined by the European Commission (Defined in: European Commission (2017). Defining "green" in the context of green finance. Final Report. Brussels: Publications Office of the European Union.) are excluded. These activities include: (i) Nuclear energy, (ii) Chlorine and agrochemicals (biocides), (iii) Genetic engineering, (iv) Fossil fuels. Exempt are companies that significantly invest in the green transition via green hydrogen or renewable energy (including) biomass and are assessed to increase such activities in the future, (v) Aviation and automotive industries. Exempt are companies that invest in the green transition via e-mobility and/or hydrogen and are assessed to increase their activities in the future, (vi) Ozone depleting substances, (vii) Controversial and harmful environmental behavior, (viii) Financiers of environmental harmful projects, (ix) Industrial livestock and whaling, (x) Lobbying to reduce environmental standards, Deforestation, Biodiversity, (xi) Uranium and asbestos fibre producers> Only securities from companies belonging to clusters that are suppliers of ecological solutions and/or natives of the ecological transition (e.g. alternative energy and transport, eco-products and services, energy efficiency, renewable energy, waste and water) are selected. The clusters are defined by the High Level Expert Group, composed of staff of Kepler Cheuvreux and may evolve over time.
List of social factors considered	> Not applicable.
List of governance factors considered	> Not applicable.

Data and Standards used

Data Input	The data used to construct the index is sourced externally from Kepler Cheuvreux.
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Verification and quality of data	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.
Reference standards	International standards referenced by the index methodology are listed in the respective section above.
Information updated on	23/02/2024
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