

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

Solactive Digital Payments 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

Name of the benchmark administrator	Solactive AG
Type of benchmark or family of benchmarks	Equity
Name of the benchmark or family of benchmarks	Solactive Digital Payments Index PR
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	Compliance with UNGC norms around environment, human rights, cor- ruption and labour rights.
	> Not breaching any severe ESG controversies.
	Deriving less than 5% of revenues from the production or distribution of nuclear power or supporting products or power generation capacity in- crease.
	Deriving less than 5% of revenues from thermal coal extraction, power generation or supporting products/services or power generation capacity increase.
	Deriving less than 5% of revenues from conventional oil & gas generation, production and supporting products service or power generation capacity increase.
	Deriving less than 5% of revenues from oil sands extraction, Artic oil & gas exploration/extraction or shale energy extraction or power generation ca pacity increase.
List of social factors considered	> Compliance with UNGC norms around environment, human rights, corruption and labour rights.
	> Not breaching any severe ESG controversies.
	> Deriving less than 5% of revenues from tobacco production, distribution and related services.
	> Deriving less than 5% of revenues from military contracting weapons and related products.
	> Having no direct or indirect involvement through corporate ownership of controversial weapons companies.
	Deriving less than 5% of revenues from assault and non-assault weapons (including civilian customers, key components, military/law enforcement customers, and retail/distribution).



	> Deriving less than 5% of revenues from gambling operations, specialized equipment or supporting products/services.
	> Deriving less than 5% of revenues from adult entertainment production or distribution.
	> Deriving less than 5% of revenues from alcohol production, distribution or related services.
List of governance factors considered	> Compliance with UNGC norms around environment, human rights, corruption and labour rights.
	> Not breaching any severe ESG controversies.

Data and Standards used

Data Input	The data used to construct the index is sourced externally from Sustainalytics.
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.
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CONTACT

Solactive AG German Index Engineering

Platz der Einheit 1 60327 Frankfurt am Main Germany

 Tel.:
 +49 (0) 69 719 160 00

 Fax:
 +49 (0) 69 719 160 25

 Email:
 info@solactive.com

 Website:
 www.solactive.com

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