

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

Solactive L&G Enhanced ESG APAC ex JP 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

<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 L&G Enhanced ESG APAC ex JP 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

<b>List of environmental factors considered</b>	<ul style="list-style-type: none"><li>&gt; Exclusion of companies included in the Future World Protection List (FWPL). The FWPL comprises companies which are (1) involved in the manufacture of controversial weapons (2) persistent violators of the UN Global Compact and/or (3) pure coal mining companies. It is reconstituted by LGIM on a semi-annual basis in March and September.</li><li>&gt; Weighting the securities by incorporating the L&amp;G ESG Score as well as committing to a carbon reduction trajectory.</li></ul>
<b>List of social factors considered</b>	<ul style="list-style-type: none"><li>&gt; Exclusion of companies included in the Future World Protection List (FWPL). The FWPL comprises companies which are (1) involved in the manufacture of controversial weapons (2) persistent violators of the UN Global Compact and/or (3) pure coal mining companies. It is reconstituted by LGIM on a semi-annual basis in March and September.</li><li>&gt; Exclusion of companies with revenues (in proportion to total revenues) &gt; 5% from assault weapons</li><li>&gt; Exclusion of companies with revenues (in proportion to total revenues) &gt; 10% from military weapon system manufacturing</li><li>&gt; Exclusion of companies with revenues (in proportion to total revenues) &gt; 10% from the production or retail of tobacco products and related services</li><li>&gt; Weighting the securities by incorporating the L&amp;G ESG Score.</li></ul>
<b>List of governance factors considered</b>	<ul style="list-style-type: none"><li>&gt; Exclusion of companies included in the Future World Protection List (FWPL). The FWPL comprises companies which are (1) involved in the manufacture of controversial weapons (2) persistent violators of the UN Global Compact and/or (3) pure coal mining companies. It is reconstituted by LGIM on a semi-annual basis in March and September.</li><li>&gt; Weighting the securities by incorporating the L&amp;G ESG Score.</li></ul>



## Data and Standards used

<b>Data Input</b>	The data used to construct the index is sourced externally from Legal & General Investment Management (Holdings) Limited, Sustainalytics GmbH, 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>	Initial document creation.

# 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](mailto:info@solactive.com)  
Website: [www.solactive.com](http://www.solactive.com)

© Solactive AG