

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

Solactive Global Semiconductor ESG USD 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 Global Semiconductor ESG USD 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">> 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.> Exclusion of companies generating revenues (in proportion to their total revenues) $\geq 10\%$ revenues from the exploration mining or refining of thermal coal, or that base 30% or more of their operations on thermal coal or that > 20 million tons of thermal- coal annually and are actively expanding.> Exclusion of companies generating revenues (in proportion to their total revenues) $> 5\%$ revenue from conventional oil and gas production, including natural gas, petroleum, and crude oil or companies building or operating pipelines that significantly facilitate export of conventional oil and gas.> Exclusion of companies generating revenues (in proportion to their total revenues) $> 5\%$ revenues from unconventional oil and gas production, including revenues from oil sands, oil shale, shale gas and oil and gas production in the arctic regions or companies building or operating pipelines that significantly facilitate export of unconventional oil and gas.
List of social factors considered	<ul style="list-style-type: none">> 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.> Exclusion of companies that are involved in the production development or maintenance of Anti-personnel Mines, Biological or chemical weapons, Cluster munitions, Depleted uranium, Nuclear Weapons, or any other weapon that violate humanitarian principles through normal use, or companies that produce or develop key and dedicated components for controversial weapons, or companies involved in the production and/or services tailor made for the defence industry or the military, or companies that hold $\geq 20\%$ stake in a company that is involved in controversial weapons, or compa-



	<p>panies currently $\geq 50\%$ owned by a company that is involved in controversial weapons.</p> <ul style="list-style-type: none">> Exclusion of companies generating revenues (in proportion to their total revenues) $>5\%$ revenue from the production or distribution of arms, both public and private.> Exclusion of companies generating revenues (in proportion to their total revenues) $>0\%$ revenues from owning or operating gambling establishments, or $>5\%$ revenues from providing supporting products/services to gambling operations, or $>5\%$ revenues from manufacturing specialized equipment used exclusively for gambling.> Exclusion of companies generating revenues (in proportion to their total revenues) $>5\%$ revenues from recreational cannabis, or $>0\%$ revenues from tobacco manufacturing, or $>5\%$ revenue from tobacco distribution and/or sale of tobacco products.
List of governance factors considered	<ul style="list-style-type: none">> Not applicable.

Data and Standards used

Data Input	The data used to construct the index is sourced externally from Minerva Analytics
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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