

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

Solactive North America Sustainability Themes 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 North America Sustainability Themes 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) >10% from Coal Mining.> Exclusion of companies generating revenues (in proportion to their total revenues) >10% from Arctic Drilling.> Exclusion of companies generating revenues (in proportion to their total revenues) >10% from Oil Sands.> Exclusion of companies generating revenues (in proportion to their total revenues) >10% from Nuclear Power.> Exclusion of companies generating revenues (in proportion to their total revenues) >10% from Palm Oil Production.> Exclusion of companies generating revenues (in proportion to their total revenues) >10% from GMO (Agriculture) Production.> Exclusion of companies with a Carbon Intensity Z-score above 2> Exclusion of companies in the bottom 20% overall by ESG Rating as well as companies in the bottom 5% of each sector.> Exclusion of companies obstructing any of the following themes: Climate Solutions, Circular Economy, Green Finance, Green Buildings, Water Solutions, Land Conservation. Index Constituents are then selected based on their alignment with the these themes, selecting the top 5 per theme.
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.



	<ul style="list-style-type: none"> > 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). > Exclusion of companies generating revenues (in proportion to their total revenues) >10% from For Profit Correction Facilities. > Exclusion of companies generating revenues (in proportion to their total revenues) >10% from Alcohol Production. > Exclusion of companies generating revenues (in proportion to their total revenues) >10% from Gambling Production. > Exclusion of companies generating revenues (in proportion to their total revenues) >10% from Tobacco Production. > Exclusion of companies generating revenues (in proportion to their total revenues) >10% from Pornography Production. > Exclusion of companies generating revenues (in proportion to their total revenues) >10% from Abortifacients Production. > Exclusion of companies generating revenues (in proportion to their total revenues) >10% from Military Equipment Production. > Exclusion of companies generating revenues (in proportion to their total revenues) >10% from Civil Firearms Production. > Exclusion of companies in the bottom 20% overall by ESG Rating as well as companies in the bottom 5% of each sector. > Exclusion of companies obstructing any of the following themes: Equal Opportunities, Healthy Living. Index Constituents are then selected based on their alignment with the these themes, selecting the top 5 per theme.
List of governance 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.

Data and Standards used

Data Input	The data used to construct the index is sourced externally from .SDMACUP
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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Reason for update:

Initial document creation.

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