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

Solactive L&G Green Real Estate Paris-aligned Developed 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 L&G Green Real Estate Paris-aligned Developed 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	> 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) >1% from coal mining and power generation, or >=10% from thermal coal supporting products or services > Exclusion of companies generating revenues (in proportion to their total revenues) >10% from fossil fuel production, exploration, distribution, and services (this includes refining activities, oil sands extraction, oil and gas exploration in offshore Artic regions, and shale energy exploration and/or production). > Exclusion of companies generating revenues (in proportion to their total revenues) >50% from electric power generation from fossil fuel sources. > Exclusion of companies with significant negative impact on one of the following sustainable development goals (SDGs): Sustainable Development Goal 12: Responsible Consumption and Production, Sustainable Development Goal 13: Climate Action, Sustainable Development Goal 14: Life Below Water, Sustainable Development Goal 15: Life on Land. > Reduction of the carbon intensity (total scope 1, 2, 3 emissions divided by enterprise value including cash) of the index by at least 50% compared to the parent index. > Reduction of the carbon intensity (total scope 1, 2, 3 emissions divided by enterprise value including cash) of the index by at least 7% an an annual basis. > Compared to the parent index the exposure to High Climate Impact Sectors (NACE Industry Codes A, B, C, D, E, F, G, H, L) must not decrease. > Exclusion of companies with controversies (level 5) in issues such as operations and employee incidents, human rights, business ethics and water use.

List of social factors considered	> 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 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) >0% from production/cultivation in the area of tobacco. > Reduction of the carbon intensity (total scope 1, 2, 3 emissions divided by enterprise value including cash) of the index by at least 50% compared to the parent index. > Reduction of the carbon intensity (total scope 1, 2, 3 emissions divided by enterprise value including cash) of the index by at least 7% an an annual basis. > Compared to the parent index the exposure to High Climate Impact Sectors (NACE Industry Codes A, B, C, D, E, F, G, H, L) must not decrease. > Exclusion of companies with controversies (level 5) in issues such as operations and employee incidents, human rights, business ethics and water use. > Exclusion of companies generating revenues (in proportion to their total revenues) >=5% from military contracting weapons, or >=5% from military contracting weapons related products or services, or owning >=50% of another company with involvment in the aforementioned activities. > Exclusion of companies generating revenues (in proportion to their total revenues) >0% from manufacturing and selling of small arms (including assault weapons and non assault weapons) to civilian customers, or >=5% from distribution/retail of small arms (including assault weapons and non assult weapons) to civilian customers, or >=5% from manufacturing and selling small arms to military/law enforcement customers, or >=5% from manufacturing and selling key components of small arms, or owning >=50% of another company with involvment in the aforementioned activities. > Exclusion of companies generating revenues (in proportion to their total revenues) >=5% from production of, or >=5% from distribution of, or >=5% from products or services related to alcohol, or owning >=50% of another company with involvment in the aforementioned activities. > Exclusion of companies generating revenues (in proportion to their total revenues) >=5% from operation of gambling, or >=5% from specialized gambling equipment, or >=5% from gambling supporting products or services, or owning >=50% of another company with involvment in the aforementioned activities. > Exclusion of companies generating revenues (in proportion to their total revenues) >=5% from production of, or >=5% from distribution of adult entertainment, or owning >=50% of another company with involvment in the aforementioned activities.

List of governance factors considered	> 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. > Reduction of the carbon intensity (total scope 1, 2, 3 emissions divided by enterprise value including cash) of the index by at least 50% compared to the parent index. > Reduction of the carbon intensity (total scope 1, 2, 3 emissions divided by enterprise value including cash) of the index by at least 7% an an annual basis. > Compared to the parent index the exposure to High Climate Impact Sectors (NACE Industry Codes A, B, C, D, E, F, G, H, L) must not decrease. > Exclusion of companies with controversies (level 5) in issues such as operations and employee incidents, human rights, business ethics and water use.

Data and Standards used

Data Input	The data used to construct the index is sourced externally from ISS
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
Reason for update:	Initial document creation.

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