

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

Solactive Osmosis Resource Efficient Diversified NAM Core  
Equity Index TR



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 Osmosis Resource Efficient Diversified NAM Core Equity Index TR
<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 found to be in breach of the UN Global Compact Principles.</li><li>&gt; Exclusion of companies involved in Extraction or Power generation from thermal coal. The threshold for the involvement is above 25 %.</li><li>&gt; Exclusion of companies that are found to be involved in Shale gas extraction and generate 25% or more of their revenues from this activity.</li><li>&gt; Exclusion of companies that are found to be involved in Oil sands extraction and generate 25% or more of their revenues from this activity.</li></ul>
<b>List of social factors considered</b>	<ul style="list-style-type: none"><li>&gt; Exclusion of companies found to be in breach of the UN Global Compact Principles.</li><li>&gt; Exclusion of companies involved in the manufacturing of tobacco products.</li><li>&gt; Exclusion of companies based on (a) the AFM guideline to ban manufacturers of cluster munitions, (b) Biological and chemical-based weapons manufacturers and nuclear outside the NPT area, (c) Companies which are Small Arms retailers/distributors, selling Small Arms to civilians or having a significant ownership in companies which meet one of the previously mentioned criteria.</li></ul>
<b>List of governance factors considered</b>	<ul style="list-style-type: none"><li>&gt; Exclusion of companies found to be in breach of the UN Global Compact Principles.</li></ul>

## Data and Standards used

<b>Data Input</b>	The data used to construct the index is sourced externally from Osmosis Investment Management.
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<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.

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