

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

Solactive Sustainable Food 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 Sustainable Food 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 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.</li><li>&gt; Exclusion of companies with higher carbon emissions compared to their peers.</li><li>&gt; Exclusion of companies with direct involvement in controversies which negatively affect biodiversity-sensitive areas and where remedial measures have not been implemented</li><li>&gt; Exclusion of companies with significant negative impact on a Sustainable Development Goal</li><li>&gt; Exclusion of companies with Environmental rating of D- or lower</li></ul>
<b>List of social factors considered</b>	<ul style="list-style-type: none"><li>&gt; 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.</li><li>&gt; 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 produce or develop key and dedicated components for controversial weapons or are involved in the production and/or services tailor made for the defence industry or the military.</li><li>&gt; Exclusion of companies that derive more than 5% of their revenues the from involvement in the production of Civilian Firearms, Tobacco, Alcohol or Fossil Fuels</li><li>&gt; Exclusion of companies that derive more than 10% of their total revenues from the production or 20% from the distribution, services or overall in the Alcohol, Tobacco, Pornography or Gambling Sector.</li></ul>



<b>List of governance factors considered</b>	<ul style="list-style-type: none"><li>&gt; Exclusion of companies with zero reported board members</li><li>&gt; Exclusion of companies with Governance rating of D+ or lower</li></ul>
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## Data and Standards used

<b>Data Input</b>	The data used to construct the index is sourced externally from ISS ESG
<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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