

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

Solactive USS Developed Markets Ethically Screened CTB 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 USS Developed Markets Ethically Screened CTB 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 any revenues Fossil Fuels or are involved in coal mining expansions> Exclusion of companies generating revenues (in proportion to their total revenues) > 0% from Nuclear Energy Production or >3% from Nuclear Energy Services or >0% from Uranium Mining> Exclusion of companies generating revenues (in proportion to their total revenues) > 10% from Palm Oil of Producers without RSPO certificate> Exclusion of companies involved in any non-pharmaceutical animal testing> Exclusion of companies with significant negative impact on the Sustainable Development Goal 12: Responsible Consumption and Production, i.e. SDG Impact Rating of ≤ -5.1.> Exclusion of companies with significant negative impact on the Sustainable Development Goal 13: Climate Action, i.e. SDG Impact Rating of ≤ -5.1.> Exclusion of companies with significant negative impact on the Sustainable Development Goal 14: Life Below Water, i.e. SDG Impact Rating of ≤ -5.1.> Exclusion of companies with significant negative impact on the Sustainable Development Goal 15: Life on Land, i.e. SDG Impact Rating of ≤ -5.1.> Exclusion of companies with any negative effect on biodiversity-sensitive areas
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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 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 Tobacco Cultivation and Production or >5% from Production or >10% from Services> Exclusion of companies generating revenues (in proportion to their total revenues) > 10% total revenues from Gambling> Exclusion of companies generating revenues (in proportion to their total revenues) > 0% from Pornography Production or Distribution> Exclusion of companies generating revenues (in proportion to their total revenues) > 0% from Military Equipment
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 and the OECD Guidelines for Multinational Enterprises.

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:	Update of the achieved decarbonization trajectory in 8.2 b)

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