

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

Solactive Developed Markets ex Financials Large & Mid Cap ESG  
Screened 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

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| <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 Developed Markets ex Financials Large & Mid Cap ESG Screened Index NTR |
| <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

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|---|--|
| <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 generating revenues (in proportion to their total revenues) &gt;30% from coal production or coal power generation.</li><li>&gt; Exclusion of companies having an energy consumption intensity of 300 measured as GWh per million EUR revenue</li><li>&gt; Exclusion of companies having an carbon intensity of 1500 measured as scope 1+ emissions / USD revenues</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 and the OECD Guidelines for Multinational Enterprises.</li><li>&gt; Exclusion of companies with ongoing involvement in one of the following industries: Chemical weapons, biological weapons, nuclear weapons, depleted uranium, nuclearweapons outside the NPT, cluster munitions, anti-personnel mines.</li><li>&gt; Exclusion of companies generating revenues (in proportion to their total revenues) &gt;5% from military equipment</li><li>&gt; Exclusion of companies generating revenues (in proportion to their total revenues) &gt;0% from tobacco production</li><li>&gt; Exclusion of companies with very severe Human Rights controversies</li></ul> |
| <b>List of governance 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></ul>  |



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## Data and Standards used

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|---|--|
| <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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