

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

Solactive Insignia Global ESG 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

<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 Insignia Global ESG 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

<b>List of environmental factors considered</b>	<ul style="list-style-type: none"><li>&gt; Exclusion of companies with poor ESG Risk Score via a best in class approach</li><li>&gt; Remove companies classified as Non-Compliant with UNGC principles and related international norms and standards</li><li>&gt; Remove companies deriving more than 10% of its revenues from thermal coal extraction</li><li>&gt; Remove companies deriving more than 10% of its revenues from generating electricity from thermal coal</li></ul>
<b>List of social factors considered</b>	<ul style="list-style-type: none"><li>&gt; Exclusion of companies with poor ESG Risk Score via a best in class approach</li><li>&gt; Remove companies classified as Non-Compliant with UNGC principles and related international norms and standards</li><li>&gt; Remove companies in the Severe and High Controversy category</li><li>&gt; Remove companies deriving more than 10% of its revenues the manufacturing and sale of assault weapons to civilian customer</li><li>&gt; Remove companies deriving more than 10% of its revenues from the manufacturing of military weapon systems and/or integral, tailor-made components of these weapons.</li><li>&gt; Remove companies with any detectable involvement in the core weapon system, or components/services of the core weapon system that are considered tailor-made and essential for the lethal use of the weapon</li><li>&gt; Remove companies deriving more than 5% of its revenues from the manufacturing of tobacco products</li><li>&gt; Remove companies deriving more than 5% of its revenues from the distribution and/or retail sale of tobacco products.</li></ul>

**List of governance factors considered**

- > Exclusion of companies with poor ESG Risk Score via a best in class approach
- > Remove companies classified as Non-Compliant with UNGC principles and related international norms and standards

## Data and Standards used

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