

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

Global Sustainability Signatories 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	Global Sustainability Signatories 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">> The overall ESG score of a company is used in the selection of index components> Index members must be signatories of the UN Global Compact> Exclusions of companies with Category 4 & 5 controversies. Sustainability's Controversy assessments measure companies for their level of involvement in major controversies or incidents that have an impact on the environment or society and the associated business risks companies face from such involvement. Involvement in controversies may indicate that a company's management systems are not sufficient to protect it from its ESG risk exposure. Controversies may also highlight an ongoing incident that is creating risk for the company. Each controversy is categorized from Category 1 (low impact on environment and society, posing negligible risks to the company) to Category 5 (severe impact on the environment and society, posing serious risks to the company). Controversy topics include: business ethics, society and community, environmental operations, environmental supply chain, product and service, employee, social supply chain, customer, governance, and public policy.
List of social factors considered	<ul style="list-style-type: none">> The overall ESG score of a company is used in the selection of index components> Index members must be signatories of the UN Global Compact> Exclusions of companies with any involvement in the area of tobacco> Exclusions of companies with Category 4 & 5 controversies. Sustainability's Controversy assessments measure companies for their level of involvement in major controversies or incidents that have an impact on the environment or society and the associated business risks companies face from such involvement. Involvement in controversies may indicate that a company's management systems are not sufficient to protect it from its ESG risk exposure. Controversies may also highlight an ongoing incident that is creating risk for the company. Each controversy is categorized from Category 1 (low impact on environment and society, posing negligible risks



	<p>to the company) to Category 5 (severe impact on the environment and society, posing serious risks to the company). Controversy topics include: business ethics, society and community, environmental operations, environmental supply chain, product and service, employee, social supply chain, customer, governance, and public policy.</p>
List of governance factors considered	<ul style="list-style-type: none">> The overall ESG score of a company is used in the selection of index components> Index members must be signatories of the UN Global Compact> Exclusions of companies with Category 4 & 5 controversies. Sustainalytics' Controversy assessments measure companies for their level of involvement in major controversies or incidents that have an impact on the environment or society and the associated business risks companies face from such involvement. Involvement in controversies may indicate that a company's management systems are not sufficient to protect it from its ESG risk exposure. Controversies may also highlight an ongoing incident that is creating risk for the company. Each controversy is categorized from Category 1 (low impact on environment and society, posing negligible risks to the company) to Category 5 (severe impact on the environment and society, posing serious risks to the company). Controversy topics include: business ethics, society and community, environmental operations, environmental supply chain, product and service, employee, social supply chain, customer, governance, and public policy.

Data and Standards used

Data Input	The data used to construct the index is sourced externally from Sustainalytics
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	30/11/2021
Reason for update:	Initial document creation

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