

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

Solactive ISS ESG Beyond Plastic Waste 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 ISS ESG Beyond Plastic Waste 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 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; Companies are deemed eligible for inclusion if they fall under any of the three main Categories: Reduce, Reuse, and Recycle. That encompasses companies offering viable substitutes for plastic-based products, offering solutions that reduce plastic pollution (includes alternatives to road transportation), offering reusable products or reuse services to replace single-use plastic items, offering recycling of plastic waste or recycle services, or offering products that contain a significant share / absolute amount of plastic waste as input material. Companies should generate a major share of their revenues from those alternatives and/or be a leader in terms of developing innovative solutions in this segment</li><li>&gt; Exclusion of companies that show controversies involving plastics, regardless of their role in developing innovative solutions / alternatives</li><li>&gt; Exclusion of companies generating revenues from activities obstructing the Sustainable Development Goals numbers 14 (life below water) and 15 (life on land)</li><li>&gt; Exclusion of companies with an ISS ESG Corporate Rating of lower than C-</li><li>&gt; Securities that show controversies involving plastics on the ISS ESG NBR dataset are excluded from the Index Universe. This also includes securities with minor plastic-related controversies which still result in a green signal</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 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 with an ISS ESG Corporate Rating of lower than C-</li></ul>



<b>List of governance factors considered</b>	> Exclusion of companies with an ISS ESG Corporate Rating of lower than C-
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## Data and Standards used

<b>Data Input</b>	The data used to construct the index is sourced externally from Institutional Shareholder Services Inc.
<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

# CONTACT

**Solactive AG**  
**German Index Engineering**  
Platz der Einheit 1  
60327 Frankfurt am Main  
Germany

Tel.: +49 (0) 69 719 160 00  
Fax: +49 (0) 69 719 160 25  
Email: [info@solactive.com](mailto:info@solactive.com)  
Website: [www.solactive.com](http://www.solactive.com)

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