

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

RAFI Multi-Factor Climate Transition (CTB) Developed GBP  
Hedged 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>	RAFI Multi-Factor Climate Transition (CTB) Developed GBP Hedged Index NTR (DE000SLOC2T7)
<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; The Index is designed to meet the requirements for Climate Transition Benchmarks (CTB) as specified by the Regulation (EU) 2016/1011 and the Commission Delegated Regulation (EU) 2020/1818, Exclusion of companies classified as having major involvement in the coal industry, Exclusion of companies determined to be violators of the UN Global Compact, 30% reduction in carbon intensity compared to the investable universe. (inclusion of Scope 1 and 2 emissions (Scope 3 to be phased in over a four-year timeframe) in measuring carbon intensity), At least 7% reduction per year in carbon intensity (inclusion of Scope 1 and 2 emissions (Scope 3 to be phased in over a four-year timeframe) in measuring carbon intensity), Sufficient exposure to high climate impact sectors (NACE Industry Codes A, B, C, D, E, F, G, H, L); at least equal to that of the investable universe</li> </ul>
<b>List of social factors considered</b>	<ul style="list-style-type: none"> <li>&gt; Exclusion of companies determined to be violators of the UN Global Compact, Exclusion of companies classified as having major involvement in the following industries: tobacco, controversial weapons</li> </ul>
<b>List of governance factors considered</b>	<ul style="list-style-type: none"> <li>&gt; Exclusion of companies determined to be violators of the UN Global Compact</li> </ul>

## Data and Standards used

<b>Data Input</b>	The data used to construct the index is sourced externally from ISS
<b>Verification and quality of data</b>	The provider of ESG-related data input is selected by the Index Owner (RAFI Indices) and approved by the Index Administrator (Solactive AG) 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>	27/02/2026
<b>Reason for update:</b>	Daily weight update

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