

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

Solactive Ethical Europe Equity Index 2



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	Solactive Ethical Europe Equity Index 2
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">> Exclusion of companies that do not receive Forum Ethibel certification based on a screening of the companies' compliance with ILO conventions and human rights as well as involvement in environmental controversies.> Exclusion of Companies with an ESG score less than 40 (out of 100)> Exclusion of Companies with an ESG score less than their sector peers> Exclusion of companies involved in Environmental controversies, allegations and convictions.
List of social factors considered	<ul style="list-style-type: none">> Exclusion of companies that do not receive Forum Ethibel certification based on a screening of the companies' compliance with ILO conventions and human rights as well as involvement in environmental controversies.> Exclusion of Companies with an ESG score less than 40 (out of 100)> Exclusion of Companies with an ESG score less than their sector peers> Exclusion of companies involved in controversies in human rights issues.> Exclusion of companies with major involvement in the area of weapons.> Exclusion of companies generating sales >5% in the area of nuclear activities.> Exclusion of companies with major involvement in the area of tobacco.> Exclusion of companies with major involvement in the area of gambling.
List of governance factors considered	<ul style="list-style-type: none">> Exclusion of companies that do not receive Forum Ethibel certification based on a screening of the companies' compliance with ILO conventions and human rights as well as involvement in environmental controversies.> Exclusion of Companies with an ESG score less than 40 (out of 100)> Exclusion of Companies with an ESG score less than their sector peers



Data and Standards used

Data Input	The data used to construct the index is sourced externally from Vigeo Eiris and the Forum Ethibel certification.
Verification and quality of data	The providers of ESG-related data input are selected by the Index Administrator based on an assessment of its existing processes in order to ensure the reliability and representativeness of the ESG-related data. The data providers have 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	23/02/2024
Reason for update:	Initial document creation

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