Bloomberg Goldman Sachs Global Clean Energy Index

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Bloomberg

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Introduction

The Bloomberg Goldman Sachs Global Clean Energy Index aims to represent the performance of a set of companies that are expected to derive significant revenues from products and services that contribute to production of energy from renewable sources . Bloomberg Goldman Sachs Global Clean Energy Index is a modified float-adjusted market capitalization weighted index designed by identifying companies using a combination of analyst research and curated data acquired from Bloomberg New Energy Finance and Sustainalytics.

Section 1: Index Overview

Name	Bloomberg Goldman Sachs Global Clean Energy Index
Ticker	BGSCE (Price Return) BGSCET (Total Return) BGSCEN (Net Total Return)
Currency	USD
Inception Date	10/27/2021
Weighting	Modified Market Capitalization
Publication	Weekdays (except January 1st)

Section 2: Bloomberg Thematic Research

Bloomberg New Energy Finance (BloombergNEF)

BloombergNEF ("BNEF") is a strategic research provider covering global commodity markets and the disruptive technologies driving the transition to a low-carbon economy. BloombergNEF's expert coverage assesses pathways for the power, transport, industry, buildings and agriculture sectors to adapt to the energy transition.

Bloomberg Index Services Limited ("BISL") utilizes the BNEF Clean Energy Exposure Rating ("CEER") to determine index eligibility. The CEER provides an estimate of a company's value attributable to clean energy activity. Please refer to the BNEF Clean Energy Exposure Ratings methodology through the link below for additional details.

BNEF Clean Energy Exposure Rating Methodology

Section 3: Index Eligibility Process

Parent Index

In order to be eligible for the Bloomberg Goldman Sachs Global Clean Energy Index, a security must be a member of the Bloomberg Global Equity Index. Please refer to the Bloomberg Global Equity Index methodology through the link below for additional details.

Bloomberg Global Equity Indices Methodology

Sector Eligibility

A security must be classified to any of the relevant Bloomberg New Energy Finance (BNEF) sectors within the CEER. Please refer to the BNEF Clean Energy Exposure Ratings methodology through the link below for additional details.

BNEF Clean Energy Exposure Rating Methodology

Liquidity Eligibility

A security must have a minimum 90-day average value traded of $5 million.

Exclusions

There are two core exclusionary criteria: companies with low thematic relevance scores, sourced by BNEF and companies excluded by Sustainalytics ESG factors.

Thematic Exclusion

BNEF analysts estimate the proportion of an organization's value that is attributable to its activities across clean energy. They take into account reported segment revenues, along with other available metrics such as segmented EBITDA. Estimates are based on quarterly reviews by sector specialists.

Exposure Level	Description
A1 Main Drive (50-100%)	50-100% of the organization's value is estimated to derive from clean energy
A2 Considerable (25-49%)	25-49% of the organization's value is estimated to derive from clean energy
A3 Moderate (10-24%)	10-24% of the organization's value is estimated to derive from clean energy
A4 Minor (<10%)	Less than 10% of the organization's value is estimated to derive from clean energy

The exposures are grouped in four categories. A security must have an exposure level of A1, A2 or A3 in order to be eligible for the Index. Additionally, the security must have coverage by BNEF, securities without coverage, zero exposure or exposure score of A4 are ineligible for the index.

For further details refer to the BNEF methodology in the link below:
BNEF Clean Energy Exposure Rating Methodology

Sustainalytics Exclusions

Bloomberg Goldman Sachs Global Clean Energy Index excludes securities based on the ESG factors sourced from Sustainalytics listed below. This is not intended to be an exhaustive definition, please see Appendix A for additional detail. A security is excluded if it fails the inclusion criteria for any of the ESG factors listed below or if it has no coverage across all of the ESG factors listed below.

Extreme Event Controversies Companies involved in ESG-related controversial incidents. These incidents are assessed through a framework that considers the severity of incidents and corporation's accountability and whether they form part of a pattern of corporate misconduct.	Researched companies considered to be the "worst of the worst" in the peer group or sector • Impact and risk are severe and irreversible. • The case is highly exceptional in the peer group. • Impact of the misconduct is on a broad range of stakeholders over a long duration, and imposes a clear cost on society. • There are serious ongoing risks posed to the company. • The company is directly responsible for the misconduct. • The level of involvement is exceptional among peers in numerous respects. • Cases are recurring and have not been addressed adequately or at all. • The company fails to demonstrate the ability to remediate the issue. • The company has refused to address the issue and/or has tried to conceal the wrongdoing and/or its involvement.
Controversial Weapons	Researched companies that have any involvement in the core weapon system or components and services of the core weapon system, including

Companies involved in a core weapon system or components and services of a core weapon system that are either tailor-made and essential or non-tailor made and non-essential for the lethal use of the weapon	significant ownership, tailor-made, and non-tailor made, are excluded from the Index.
UNGC Violation Companies that benchmark administrators find in violation of the United Nations Global Compact (UNGC) principles	Researched companies who have breached a principle of the UN Global Compact
Civilian Firearms Companies that manufacture and sell assault weapons to civilian customers, manufacture and sell small arms to civilian customers, manufacture and sell small arms to military and law enforcement, or manufacture and sell key components of small arms. Companies involved in the retail and/or distribution of assault weapons or small arms.	Researched companies classified as generating 5% of revenue in the manufacture and sale of assault and non-assault weapons to civilian customers. Researched companies classified as deriving 5% or more of its revenue from the distribution and retail sale of assault and non-assault weapons. Researched companies classified as generating 5% of revenue from the manufacture and sale of key components of assault and non-assault weapons.
Thermal Coal Extraction: Companies that extract thermal coal.	Researched companies classified as generating 5% of revenue in the extraction of thermal coal.
Tobacco Companies that manufacture tobacco products, supply tobacco-related products and services, or derive revenue from the distribution and/or retail sale of tobacco products.	Researched companies classified as generating 5% of revenue in the production of tobacco or tobacco-related products and services. Researched companies classified as deriving 10% or more of its revenue from the distribution and retail sale of tobacco products.
Arctic Oil and Gas Exploration Companies involved in Arctic Oil and Gas Exploration.	Researched companies classified as generating 5% of revenue from Arctic Oil and Gas Exploration.
Oil Sands Companies that use Oil Sands to produce fuels such as gasoline and diesel.	Researched companies classified as generating 5% of revenue in the product involvement with Oil Sands. Researched companies classified as deriving 10% or more of its revenue from the distribution and retail sale of Oil Sands.
Thermal Coal Power Generation Companies that generate electricity from thermal coal, or have generating capacity for thermal coal.	Researched companies classified as generating above 50% of revenue from Thermal Coal Power Generation. Severity Score of 4 or higher.

Section 4: Index Selection Process

All securities that satisfy the Index Eligibility Process are considered for inclusion in the Index.

Changes in the methodology may be made periodically to ensure representativeness, accuracy and integrity.

Section 5: Index Weighting

The index securities are modified market capitalization weighted. The float market cap weights are constrained based on their clean energy exposures. 60% of index weight is assigned to issuers classified as A1 Main driver (50-100% of value) exposures, with top 8 issuers by weight in this category capped at 5% and rest of the issuers in this category capped at 4% . 30% of index weight is assigned to securities classified as A2 Considerable (25-49%) exposures, with security weights in this category capped at 2.5%. The remaining 10% of the index weight is assigned to issuers classified as A3 Moderate (10-24%) exposures, with issuer weights in this category capped at 1%. If there are multiple securities per issuer, then the issuer weight is redistributed proportionally to all of the securities within the issuer based on the free float market capitalization of each security. A minimum cap of 0.02% is applied to all the issuers in the index. Any excess weight from capping is then redistributed proportionally to the remaining uncapped issuers.

If, after the Index Selection Process is applied, the number of issuers in the Index is less than or equal to 20, then the Index issuers are equal weighted. If the number of issuers in the Index is greater than 20 and less than 32, then the bottom-tier cap (2.5%) is relaxed and the weight equally redistributed among all the remaining uncapped issuers such that the bottom-tier cap is still less than the top-tier cap (5%) and the weights sum to 1. If it is not possible to redistribute the weights such that the bottom-tier cap is still less than the top-tier cap, then the Index issuers are equal weighted.

Section 6: Index Maintenance

To ensure that the Index accurately reflects the aggregate performance of its constituent members, the Index must be rebalanced and reconstituted periodically and maintained on a daily basis for corporate actions, corporate events, any restatements, data integrity and changes to the methodology. The Index rebalance and reconstitution is performed to update the eligibility, selection, and weighting process for index inclusion.

Index Rebalance and Reconstitution

The Index is reconstituted and rebalanced quarterly in March, June, September, and December.

Selection Date
The Index Eligibility Process is applied using data as of the last Wednesday in January, April, July, and October.

Index Share Determination Date
Float Shares are determined using Shares Outstanding and Free Float as of the last Wednesday in January, April, July, and October. Index Weighting is determined using prices as of 3 weeks prior to the Index Effective Date.

Index Announcement Date
An Index reconstitution and rebalance announcement date shall be the last Wednesday in February, May, August, and November.

Index Effective Date
The Index reconstitutions and rebalances go effective after the close of trading on the 2nd Wednesday in March, June, September, and December, respectively.

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Selection Date (Eligibility)	Last Wednesday	X			X			X			X		
Selection Date (Weighting)	3 Weeks Prior to Effective Date		X			X			X			X	
Announcement Date	Last Wednesday		X			X			X			X	
Effective Date	2nd Wednesday			X			X			X			X

Deletion Policy

Index securities are not deleted outside of the quarterly reconstitution unless a security has a fundamental alteration, such as a merger, acquisition, delisting, or other major corporate event, that would make it ineligible for inclusion in the Index.

Addition Policy

Index securities are not added outside of the quarterly reconstitution.

Replacement Policy

Index securities are not replaced outside of the quarterly reconstitution.

Corporate Actions

Refer to Bloomberg Global Equity Indices Non Market Cap Corporate Action Methodology for the treatment of corporate actions.

Risks

The following is a summary of certain risks associated with the Indices but is not meant to be an exhaustive list of all risks associated with the Indices. Although the Indices are designed to be representative of the markets they are measuring, they may not be representative of every use case. There is also inherent, though transparent, judgment in their construction, as outlined in this methodology. The Indices are designed for general applicability and not to address the individual circumstances and needs of users. BISL does not advise about the usefulness of the Indices to a particular circumstance; users are therefore encouraged to seek their own counsel for such matters. This methodology is subject to change, which may impact its usefulness to users. Although efforts will be made to alert users of any change, every individual user may not be aware of them. Such changes may also significantly impact the usefulness of the Indices. BISL may also decide to cease publication of an Index. BISL maintains internal policies regarding user transitions, but no guarantee is given that an adequate alternative is available generally or for a particular use case. Markets for stocks, as with all markets, can be volatile. As the Indices are designed to measure this market, its Indices could be materially impacted by market movements, thus significantly affecting the use or usefulness of the Index for some or all users. Also, certain equity markets are less liquid than others – even the most liquid markets may suffer periods of illiquidity. Illiquidity can have an impact on the quality or amount of data available to BISL for calculation and may cause the Indices to produce unpredictable results.

Limitations of the Index

Though the Indices are designed to be representative of the markets they measure or otherwise align with their stated objective, they may not be representative in every case or achieve their stated objective in all instances. They are designed and calculated strictly to follow the rules of this Methodology, and any Index Level or other output is limited in its usefulness to such design and calculation.

Markets can be volatile, including those market interests that the Index measures or upon which the Index is dependent to achieve its stated objective. For example, illiquidity can have an impact on the quality or amount of data available to the administrator for calculation and may cause the Index to produce unpredictable or unanticipated results.

In addition, market trends and changes to market structure may render the objective of the Indices unachievable or to become impractical to replicate by investors.

In particular, the indices measure global equity markets. As with all equity investing, the indices are exposed to market risk. The value of equities fluctuates with the changes in economic forecasts, interest rate policies established by central banks and perceived geo-political risk. The indices do not take into account the cost of replication and as a result a tracking portfolio's returns will underperform the index with all else equal. As the indices are designed to measure those markets, its indices could be materially impacted by market movements, thus significantly impacting the use or usefulness of the fixings for some or all users.

In addition, certain Sub-Indices may be designed to measure smaller subsets of the indices such as specific styles, size, and sector. Some of these Sub-Indices have very few qualifying constituents and may have none for a period of time. During such period, the Sub-Indices will continue to be published at its last value, effectively reporting a 0% return, until new constituents qualify. If no constituents are expected to qualify (due to changes in market structure and other factors), the Sub-Indices may be discontinued. In such an event, this discontinuation will be announced to index users.

BISL relies on external data providers for the provision of ESG data used in the selection, weighting and calculation of the benchmarks. This includes climate models, estimations and sourcing of underlying ESG data used to calculate such scores. BISL places reliance on such external data providers with respect to their ESG data, oversight over the quality of that data, and the maintenance of that data's underlying methodology to ensure its representativeness. BISL does not have control over, or detailed insight into, the reliability of the raw data sourced external providers and their respective calculation models. External provider ESG data methodologies may furthermore be subject to change. ESG data may not cover the entire universe of eligible constituents for a particular Index. The measurement of the benchmark may become unreliable should the ESG data become unavailable or inaccurate.

Section 7: Benchmark Oversight and Governance

Benchmark Governance, Audit and Review Structure

BISL uses three primary committees to provide overall governance and oversight of its benchmark administration activities:

- The Product, Risk & Operations Committee ("**PROC**") is responsible for the first line of control over the creation, design, production and dissemination of benchmark indices, strategy indices and fixings administered by the BISL.
- The oversight function is provided by Bloomberg's Benchmark Oversight Committee ("**BOC**"). The BOC is independent of the PROC and is responsible for the review and challenge of the BISL Board of Directors and the PROC regarding relevant aspects of the provision of Benchmarks by BISL, as set out in the UK BMR.
- The Risk Committee ("**RiskCo**") advises the Board, the PROC and the BOC on the Company's overall risk appetite, tolerance and strategy and oversees the Company's risk exposure and risk strategy

Index and Data Reviews

The Index Administrator will periodically review the Indices (both the rules of construction and data inputs) on a periodic basis, not less frequently than annually, to determine whether they continue to reasonably measure the intended underlying market interest, the economic reality, or otherwise align with their stated objective. More frequent reviews may be done in response to extreme market events and/or material changes to the applicable underlying market interests.

In addition to material changes, BISL may from time to time terminate one or more Indices ("Discontinued Indices"), whether due to changes in market structure, a lack of requisite data, insufficient usage, or for other regulatory or practical concerns. The process for terminating such Discontinued Indices is as follows:

The PROC will review proposed terminations, taking into account the reasons for termination, the impact on users (if any), the availability of alternative products and other such factors. If termination is approved, users will be provided as much prior notice as is reasonable under the circumstances, typically 90 days. In the event there is little or no known usage identified, the Discontinued Indices may be terminated with less (or no) notice, as applicable. In the event the Discontinued Indices are licensed for use as the basis of an ETF or other widely-available financial product or is otherwise determined by BISL to be an important benchmark without reasonable substitutes, the notice period may be extended, as warranted. Any advance notice period is subject to BISL being reasonably able to continue administering and calculating such benchmark during such period (for example, BISL has access to requisite data on commercially reasonable terms, is not subject to any litigation or other claims, has adequate internal resources and capabilities, etc.). Terminations and associated user engagement decisions made by the PROC are subject to review by BISL's oversight function, the BOC.

Criteria for data inputs include reliable delivery and active underlying markets. Whether an applicable market is active depends on whether there are sufficient numbers of transactions (or other indications of price, such as indicative quotes) in the applicable constituents (or similar underlying constituent elements) that a price (or other value, as applicable) may be supplied for such constituent(s).

Other than as set forth in this Methodology, there are no minimum liquidity requirement for Index constituents and/or minimum requirements or standards for the quantity or quality of the input data. The review will be conducted by product managers of the Indices in connection with the periodic rebalancing of the Indices or as otherwise appropriate.

Any resulting change to the Methodology deemed to be material (discussed below) will be subject to the review of the PROC

under the oversight of the BOC, each of which committees shall be provided all relevant information and materials it requests relating to the change. Details regarding the PROC and BOC are described above.
Material changes will be reflected and tracked in updated versions of this Methodology.

Material changes related to the Indices will be made available in advance to affected stakeholders whose input will be solicited. The stakeholder engagement will set forth the rationale for any proposed changes as well as the timeframe and process for responses. The Index Administrator will endeavor to provide at least two weeks for review prior to any material change going into effect. In the event of exigent market circumstances, this period may be shorter. Subject to requests for confidentiality, stakeholder feedback and the Index Administrator's responses will be made accessible upon request.

In determining whether a change to an Index is material, the following factors shall be taken into account:

- The economic and financial impact of the change;
- Whether the change affects the original purpose of the Index; and/or
- Whether the change is consistent with the overall objective of the Index and the underlying market interest it seeks to measure.

Expert Judgement

The Indices are rules-based, and their construction is designed to consistently produce values without the exercise of expert judgment or discretion. Nevertheless, BISL may use expert judgment or discretion with regards to the following:

- Index restatements
- Extraordinary circumstances during a market emergency
- Data interruptions, issues, and closures
- Significant acquisitions involving a non-Index company

When expert judgment or discretion is required, BISL undertakes to be consistent in its application, with recourse to written procedures outlined in the methodology of the Indices and internal procedures manuals. In certain circumstances exercises of expert judgment or discretion are reviewed by senior members of BISL management and Bloomberg Compliance teams, and are reported to the PROC, BISL’s governance committee, which operates under the supervision of BISL’s oversight function, the BOC. BISL also maintains and enforces a code of ethics to prevent conflicts of interest from inappropriately influencing index construction, production, and distribution, including the use of expert judgment or discretion.

Data Providers and Data Extrapolation

The Indices are rules-based, and their construction is designed to consistently produce Index Levels without the exercise of discretion. The Indices are produced without the interpolation or extrapolation of input data.
In addition, the Index Administrator seeks to avoid contributions of input data that may be subject to the discretion of the source of such data and instead seeks to use input data that is readily available and/or distributed for a number of non-index or benchmark creation purposes. Accordingly, the Indices require no 'contributors' to produce and no codes of conduct with any such sources are required.

Conflicts of Interest

The Index confers on BISL discretion in making certain determinations, calculations and corrections from time to time. In making those determinations, calculations and corrections, the Index Administrator has no obligation to take the needs of any Product Investor or any other party into consideration. BISL is committed to avoiding and, where necessary, managing actual or potential conflicts of interest in the BISL decision-making process and has established a Conflicts of Interest Policy to minimize or resolve actual or potential conflicts of interest. BISL does not create, trade or market Products.

Restatement Policy

BISL strives to provide accurate calculation of its indices. However, to the extent a material error in index values is uncovered following publication and dissemination, a public notification will be made alerting of such error and the expected date of a revised publication, if warranted.

An error to an equity Index in excess of 3 basis point over one day will automatically be reviewed for restatement. If the Index in error is a Primary Index (listed below) and has occurred in the last 2 business days, a restatement will be made for all impacted indices. Errors occurring beyond the last 2 business days will be evaluated on a case-by-case basis.

Real-time indices are not considered for restatement, all real-time dissemination is considered indicative.
Primary Indices:

Bloomberg US Large Cap Equity Index (B500T)
Bloomberg Developed Markets Large & Mid Cap Index (DMTR)
Bloomberg Emerging Markets Large & Mid Cap Index (EMTR)

If the error affects a non-Primary Index the following factors will be reviewed to determine whether to restate. Not all conditions need to be present to warrant a restatement, and certain factors may be more determinative than others depending on the circumstances of the given error.

- The relative importance of the data field impacted by the error;
- When the error occurred and when it was discovered;
- The number of indices and sub-indices affected;
- Whether the impacted indices are linked to tradable products;
- The magnitude of the error;
- The burden of restatement on client re-processing relative to the impact of the error;
- The impact of the restatement on analytical tools.

Best efforts will be made to address errors in non-Primary indices as outlined in the table below:

<table>
<tr><th>Event</th><th>Action (If discovered within 2 business days)</th></tr>
<tr><td colspan="2">Missed Corporate Action</td></tr>
<tr><td>Spin-off</td><td rowspan="5">Restate indices and reissue file</td></tr>
<tr><td>Regular Cash Dividend</td></tr>
<tr><td>Special Cash Dividend</td></tr>
<tr><td>Stock Split</td></tr>
<tr><td>Stock Dividend, Bonus</td></tr>
<tr><td>Mergers & Acquisition</td><td rowspan="4">Update made the next business day; no restatement and no reissuance of files</td></tr>
<tr><td>Delisting</td></tr>
<tr><td>Reclassification</td></tr>
<tr><td>Change in Listing</td></tr>
<tr><td>IPO incorrectly added</td><td>Update made at next rebalance</td></tr>
<tr><td colspan="2">Rebalance</td></tr>
<tr><td>Incorrect Add</td><td rowspan="3">Unless the error is discovered during pro-forma period, update will be made at next rebalance</td></tr>
<tr><td>Incorrect Removal</td></tr>
<tr><td>Share changes</td></tr>
</table>

Appendix A: Environmental Social & Governance (ESG) Disclosures

In order to be eligible for the Index, securities must be included in the Sustainalytics researched coverage for the all the ESG factors listed below.

EXPLANATION OF HOW ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) FACTORS ARE REFLECTED IN THE KEY ELEMENTS OF THE BENCHMARK METHODOLOGY			
1. Name of the benchmark administrator.		Bloomberg Index Services Limited ("BISL")	
2. Type of benchmark.		Equity	
3. Name of the benchmark or family benchmarks.		Bloomberg Goldman Sachs Global Clean Energy Index	
4. Does the benchmark methodology for the benchmark or family of benchmarks take into account ESG factors?		Yes	
5. Where the response to Item 4 is positive, please list below, for each family of benchmarks, those ESG factors that are taken into account in the benchmark methodology, taking into account the ESG factors listed in Annex II to Delegated Regulation (EU) 2020/1816. Please explain how those ESG factors are used for the selection, weighting or exclusion of underlying assets. The ESG factors shall be disclosed at an aggregated weighted average value at the level of the family of benchmarks.			
a) List of environmental factors considered:	Thermal Coal Extraction	Exclusion	Researched companies classified as generating 5% of revenue in the extraction of thermal coal.
	Thermal Coal Power Generation	Exclusion	Researched companies classified as generating above 50% of revenue from Thermal Coal Power Generation. Severity Score of 4 or higher.
	Arctic Oil and Gas Exploration	Exclusion	Researched companies classified as generating 5% of revenue from Arctic Oil and Gas Exploration.
	Oil Sands	Exclusion	Researched companies classified as generating 5% of revenue in the product involvement with Oil Sands. Researched companies classified as deriving 10% or more of its revenue from the distribution and retail sale of Oil Sands.
	Degree of exposure of the portfolio to the sectors listed in Sections A to H and Section L of Annex I to Regulation (EC) No 1893/2006 of the European Parliament and of the Council.	N/A	The Index does not take apply this ESG factor in the methodology
	Greenhouse gas (GHG) intensity of the benchmark.	N/A	The Index does not take apply this ESG factor in the methodology
	Percentage of GHG emissions reported versus estimated.	N/A	The Index does not take apply this ESG factor in the methodology
	Exposure of the benchmark portfolio to companies the activities of which fall under Divisions 05 to 09, 19 and 20 of Annex I to Regulation (EC) No 1893/2006.	N/A	The Index does not take apply this ESG factor in the methodology

	Exposure of the benchmark portfolio to activities included in the environmental goods and services sector, as defined in Article 2, point (5) of Regulation (EU) No 691/2011 of the European Parliament and of the Council	N/A	The Index does not take apply this ESG factor in the methodology	
b) List of social factors considered:	Civilian Firearms	Exclusion	Researched companies that have any involvement in the manufacturing and selling of small arms or assault weapons or key components of small arms to civilian customers and/or military and law enforcement are excluded from the Index. In addition, researched companies that have 5% or more revenue from the retail and/or distribution of small arms or assault weapons are excluded from the Index.	
	Controversial Weapons	Exclusion	Researched companies that have any involvement in the core weapon system or components and services of the core weapon system, including significant ownership, tailor-made, and non-tailor made, are excluded from the Index.	
	Extreme Event Controversies	Exclusion	Researched companies involved in ESG-related controversial incidents. These incidents are assessed through a framework that considers the severity of incidents and corporation's accountability and whether they form part of a pattern of corporate misconduct. Companies considered to be the "worst of the worst" in the peer group or sector: • Impact and risk are severe and irreversible. • The case is highly exceptional in the peer group. • Impact of the misconduct is on a broad range of stakeholders over a long duration, and imposes a clear cost on society. • There are serious ongoing risks posed to the company. • The company is directly responsible for the misconduct. • The level of involvement is exceptional among peers in numerous respects. • Cases are recurring and have not been addressed adequately or at all. • The company fails to demonstrate the ability to remediate the issue. • The company has refused to address the issue and/or has tried to conceal the wrongdoing and/or its involvement.	
	UNGC Violation	Exclusion	Researched companies who have breached a principle of the UN Global Compact	

	Tobacco	Exclusion	Researched companies classified as generating 5% of revenue in the production of tobacco or tobacco-related products and services. Researched companies classified as deriving 10% or more of its revenue from the distribution and retail sale of tobacco products.
	Exposure of the benchmark portfolio to companies without due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8.	N/A	The Index does not take apply this ESG factor in the methodology
	Weighted average gender pay gap.	N/A	The Index does not take apply this ESG factor in the methodology
	Weighted average ratio of female to male board members.	N/A	The Index does not take apply this ESG factor in the methodology
	Weighted average ratio of accidents, injuries, fatalities.	N/A	The Index does not take apply this ESG factor in the methodology
	Numbers of convictions and amount of fines for violations of anti-corruption and anti-bribery laws.	N/A	The Index does not take apply this ESG factor in the methodology
c) List of governance factors considered:	Weighted average percentage of board members who are independent	N/A	The Index does not take apply this ESG factor in the methodology
	Weighted average percentage of female board members	N/A	The Index does not take apply this ESG factor in the methodology
6. Where the response to Item 4 is positive, please list below, for each benchmark, those ESG factors that are taken into account in the benchmark methodology, taking into account the ESG factors listed in Annex II to Delegated Regulation (EU) 2020/1816, depending on the relevant underlying asset concerned. Please explain how those ESG factors are used for the selection, weighting or exclusion of underlying assets. The ESG factors shall not be disclosed for each constituent of the benchmark, but shall be disclosed at an aggregated weighted average value of the benchmark. Alternatively, all of this information may be provided in the form of a hyperlink to a website of the benchmark administrator included in this explanation. The information on the website shall be easily available and accessible. Benchmark administrators shall ensure that information published on their website remains available for five years			
a) List of environmental factors considered:		As above	
b) List of social factors considered:		As above	
c) List of governance factors considered:		As above	
7. Data and standards used.			
a) Data input. *(i) Describe whether the data are reported, modelled or, sourced internally or externally.* *(ii) Where the data are reported, modelled or sourced externally, please name the third party data provider.*		All ESG data for the benchmarks is sourced externally from Sustainalytics. Please refer to the link below for additional details: https://www.sustainalytics.com/investor-solutions/esg-research/esg-screening/esg-criteria	

b) Verification and quality of data
Describe how data are verified and how the quality of those data is ensured.
	The Indices use the following external data providers, all of which have robust governance and processes in place to validate the quality and reliability of the data.
	
	Sustainalytics**:**
	• Universe Management
	  ○ Centralized universe definitions and processes for rebalancing;
	  ○ Quarterly rebalances of Sustainalytics' standard coverage and compliance universes;
	  ○ Clear, transparent and consistent approach to the allocation of research versus coverage entities.
	• Company Research
	  ○ Continuous improvement and maintenance of quality and research standards;
	  ○ Feedback that is received from Companies in Sustainalytics' Coverage Universe and that are a part of Sustainalytics ESG Risk Ratings and controversy research is taken into consideration, and whenever relevant included;
	  ○ Quality reviews of ESG assessments before publication;
	  ○ Reviewing controversy ratings by the Events Oversight Committee – focus on controversy level changes to and from level 4 and 5.
	• Data and deliverable management
	  ○ Quality and reliability of Sustainalytics Covered Company and identifier data through automated quality assurance;
	  ○ Quality and reliability of Sustainalytics proprietary (i.e. research) data through automated quality assurance, prior to publication;
	  ○ Quality and reliability of standard deliverables through end-of-gate quality assurance process.
	  ○ Quality and reliability of custom client deliverables through end-of-gate quality assurance processes (automated and manual);
	  ○ Monitoring and investigating ESG score fluctuations and their root causes using automated tools.
	• Update cycle
	  ○ Sustainalytics aims for annual updates of management indicators for the Covered Companies';
	  ○ Continuous updates are made as incidents occur and feed into updates of event indicators, which is not disclosure driven;
	  ○ Annual updates to the rating framework (selection of material ESG issues, weighting of indicators).	

c) Reference standards *Describe the international standards used in the benchmark methodology.*	UNGC Violations: The United Nations Global Compact (UNGC) Principles, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights (UNGPs), and their underlying	

	conventions. Controversial Weapons: International treaties and conventions used to define Controversial Weapons include Non-proliferation Treaty (1968), Biological and Toxin Weapons Convention (1972), Chemical Weapons Convention (1997), Anti-Personnel Mine Ban Convention (1999), Convention on Cluster Munitions (2008), United Nations Convention on Certain Conventional Weapons (1980), and Convention on the Physical Protection of Nuclear Material (1980)	
Date on which information has been last updated and reason for the update:	September 2023, (Update of reference standards)	

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