

Emerging Markets Human Flourishing Index Methodology

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Bloomberg

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Introduction

The Emerging Markets Human Flourishing Index is constructed to track the performance of companies in emerging market countries according to Bloomberg's country classification that also have a high Human Dignity score. Data from Freedom House is used to determine the Human Dignity score. The Index then screens for companies with involvement in various controversial activities. A quality screen is then applied to select the top 100 companies. The Index aims to provide exposure to parts of the emerging markets segment exhibiting strong quality metrics with strong freedom of expression and belief and low religious persecution.

This document is intended to be read in conjunction with the [Bloomberg Global Equity Indices Methodology](#); these documents collectively constitute the index methodology for this Index.

Section 1: Overview

Name	Emerging Markets Human Flourishing Index
Base date	2015-04-20
Inception Date	2023-10-03
Rebalance	Semi-Annual
Publication	Weekdays
Currency	USD
Tickers	BHUMAN (Price Return) BHUMANT (Total Return) BHUMANN (Net Return)

Section 2: Index Eligibility Process

Parent Universe

To be selected for the Emerging Markets Human Flourishing Index, a security must be a member of the Bloomberg Emerging Markets Large & Mid Cap universe. Please refer to the Bloomberg Global Equity Index methodology through the link below for additional details.

[Bloomberg Global Equity Indices Methodology](#)

Country Eligibility

A security must not be domiciled in a country that failed the Human Dignity Screen as defined in the Index Selection Process section below.

Market Capitalization Eligibility

A security must have a minimum issuer free float market capitalization of \$500 million.

Liquidity Eligibility

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

Multiple Classes of Securities

One security per issuer is permitted. If an issuer has multiple securities, then the security currently in the Index will take precedence if it has met all other criteria for eligibility. Otherwise, the security with the highest 90-day average daily value traded is eligible for inclusion in the Index.

Human Flourishing Eligibility

Securities are screened for involvement in Human Flourishing, utilizing data from Sustainalytics. Securities that are engaged in the controversial activities below are not classified as Human Flourishing. The table below outlines the categories as well as the thresholds that are used to exclude companies with these controversial activities.

If a security/issuer is included in Sustainalytics research coverage for at least one of the ESG screens listed below, the Index will deem such security/issuer as eligible for inclusion, provided it meets the relevant Index eligibility rules. A security/issuer will otherwise not be eligible for inclusion in the Index.

Category	Description	Exclusion Criteria
UNGC Guidelines	Companies that benchmark administrators find in violation of the United Nations Global Compact (UNGC) principles	Researched companies that are on the watchlist or non-compliant with the UNGC principles of Human Rights, Labor, and Anti-Corruption are excluded from the Index.
Employees - Human Rights Controversies	Assesses incidents related to violations of the human rights of employees within a company's own operations, which includes incidents involving the use of forced labor, slavery, child labor, and discrimination or sexual exploitation	Researched companies involved in any controversial event in this incident category are excluded from the Index.
Abortion	Companies that engage in providing medical procedures which include abortion and contraceptive surgical procedures, as well as the production and distribution of abortifacients.	Researched companies that have any involvement in this category are excluded from the Index.
Adult Entertainment	Companies that derive revenue from adult entertainment, which includes producers of adult movies, cinemas that show adult movies, adult entertainment magazines, and the broadcasting of adult entertainment.	Researched companies that have any involvement in category are excluded from the Index.
Tobacco	Companies that derive revenue from tobacco products, including tobacco products manufacturers, retailers and distributors, as well as companies providing tobacco-related products or services.	Researched companies that derive 10% or more revenue from tobacco products are excluded from the Index.
Alcoholic Beverages	Companies that derive revenue from alcoholic beverages, which includes producers of these beverages as well as retailers, distributors, and suppliers of alcohol-related products/services to alcoholic beverage manufacturers.	Researched companies that derive 10% or more revenue from alcoholic beverages are excluded from the Index.
Gambling	Companies that derive revenue from gambling, which includes companies that offer gambling services (operation of casinos, lotteries, bookmaking, online gambling, etc...), gambling products (slot machines and other gambling devices), or supporting products/services to gambling operations.	Researched companies that derive 10% or more revenue from gambling are excluded from the Index.

Section 3: Index Construction Process

Index Selection Process

All securities that satisfy the Index Eligibility Process in Section 2 are eligible for inclusion in the Index.

Human Dignity Screening

A Human Dignity Score for each Emerging Markets country from the Bloomberg Global Equity Index is then determined using the following formula:

$$\text{Human Dignity Score} = 0.8 * \text{Freedom Expression \& Belief} + 0.2 * \text{Religious Persecution}$$

Where Freedom Expression & Belief and Religious Persecution are sourced from Freedom House. Freedom of Expression & Belief refers to the extent in which a particular country has free and independent media, allows for individuals to practice and express their religious faith, has academic freedom, and allows individuals to express their personal views on political or other sensitive topics. Religious Persecution refers to the laws, policies, and practices of a particular country guaranteeing equal treatment of various segments of the population. For more information on Freedom House and how the scores are determined, please refer to the link below for additional details.

[Additional Information Regarding Freedom House](#)

Each Emerging Market country within the Bloomberg Global Equity Index is then ranked according to its Human Dignity Score, where a lower numerical rank value equates to a higher Human Dignity Score.

To be included in the Index, a security must be part of a country in the top 50th percentile of the Human Dignity Score rank, as defined below:

$$\left(\frac{R_i}{N}\right) \leq 0.5$$

Where:

R_i Rank of Human Dignity Score (where lower rank value equates to higher score) for each country i
 N Number of Emerging Markets countries in Bloomberg Global Equity Index

Market Cap Screening

Of the securities that remain after the Human Dignity Screening above, the top 150 securities by Issuer Free Float Market Capitalization are selected for inclusion in the Index, where:

Issuer Free Float Market Capitalization = Aggregate free float market capitalization of all securities for a particular issuer.

Quality Screening

A Quality Score is determined for securities that passed the checks in the Index Eligibility Process section above. The Quality Score is determined using the methodology outlined in the Bloomberg Quality Indices Methodology. Please refer to Section 3 of the methodology through the link below for additional details on the determination of the Quality Score.

[Bloomberg Quality Indices Methodology](#)

Of the remaining securities after the Market Cap Screening above, the top 100 securities by the Quality Score are selected for inclusion in the Index.

Index Weighting

The Index is modified market cap weighted. The initial weights, W_i , are set, as shown below, according to the Issuer Free Float Market Capitalization as defined above in the Market Cap Screening section.

$$W_i = \frac{FMC_i}{\sum_1^M FMC_i}$$

Where:

W_i Weight of security i
 M Number of Index Members
 FMC_i Issuer Free Float Market Capitalization of security i

Securities' weights are then capped such that:

- No security's weight shall exceed 8%
- The top 5 securities by Issuer Free Float Market Capitalization may have a weight exceeding 4%

- Securities outside of the top 5 by Issuer Free Float Market Capitalization with weight greater than 4% have their weight capped at 4%
- No country's weight shall exceed 20%
- No sector's weight shall exceed 10% above the benchmark sector weight, where the benchmark refers to the Parent Universe defined in the Index Eligibility Process section above and a sector refers to the Bloomberg Industry Classification Standard (BICS) level 1 sectors

Any excess weight from capping is distributed proportionally to all the remaining uncapped securities until all the above conditions are satisfied.

If the weighting scheme above cannot be satisfied, the sector capping constraint above is removed. In other words, securities' weights are then capped such that:

- No security's weight shall exceed 8%
- The top 5 securities by Issuer Free Float Market Capitalization may have a weight exceeding 4%
- Securities outside of the top 5 by Issuer Free Float Market Capitalization with weight greater than 4% have their weight capped at 4%
- No country's weight shall exceed 20%

Any excess weight from capping is then distributed proportionally to all the remaining uncapped securities until all the above conditions are satisfied.

Index Rebalance and Reconstitution

The Index is reconstituted and rebalanced semi-annually in April and October.

Selection Date

The Index Eligibility Process and Index Selection Process are applied using data as of the last day in March and September.

Index Share Determination Date

Float Shares are determined using Shares Outstanding and Free Float as of the last day in March and September. Index Weighting is determined using prices as of the last day in March and September.

Index Announcement Date

An Index reconstitution and rebalance announcement date shall be the 2nd Friday in April and October.

Index Effective Date

The Index reconstitutions and rebalances go effective after the close of trading on the 3rd Friday in April and October.

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Selection Date (Eligibility)	Last Day			X						X			
Selection Date (Weighting)	Last Day			X						X			
Announcement Date	2 nd Friday				X						X		
Effective Date	3 rd Friday				X						X		

Section 4: Index Maintenance

Index Calculation

Refer to the [Bloomberg Global Equity Indices Methodology](#) for index calculation details.

Deletion Policy

Index securities are not deleted outside of the Index Rebalance and Reconstitution window except in the case of a delisting.

Addition Policy

Index securities are not added outside of the Index Reconstitution.

Replacement Policy

Index securities are not replaced outside of the Index Reconstitution.

Corporate Actions

Refer to [Bloomberg Global Equity Indices Non-Market Cap Corporate Action Methodology](#) for the treatment of corporate actions.

Section 5: Stakeholder Engagement, Risks and Limitations

Risks

The following is a summary of certain risks associated with the Index but is not meant to be an exhaustive list of all risks associated with the Index. Although the Index is designed to be representative of the markets it is measuring, it may not be representative of every use case. There is also inherent, though transparent, judgment in its construction, as outlined in this Methodology. The Index is designed for general applicability and not to address the individual circumstances and needs of users. BISL does not advise about the usefulness of the Index 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 Index. BISL may also decide to cease publication of this 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 Index is designed to measure this market, it 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 BSL for calculation and may cause the Index to produce unpredictable results.

Limitations of the index

Though the Index is designed to be representative of the markets it measures or otherwise aligns with its stated objective, it may not be representative in every case or achieve its stated objective in all instances. It is 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 Index unachievable or to become impractical to replicate by investors.

In particular, the Index measures global equity markets. As with all equity investing, the Index is exposed to market risk. The value of equities fluctuate with the changes in economic forecasts, interest rate policies established by central banks and perceived geopolitical risk. The Index does 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 Index is designed to measure those markets, it 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 Index 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-index 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-index 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. BSL places reliance on such external data providers with respect to their ESG data and does not have control over, or detailed insight into, the reliability of the raw data sourced external providers and their respective calculation models. The measurement of the benchmark may become

unreliable should the ESG data become unavailable or inaccurate.

Section 6: Benchmark Oversight and Governance

Benchmark governance, audit and review structure

BISL uses three primary committees to provide overall governance and effective 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.¹
- 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 Board 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.

On a quarterly basis, the PROC reports to the BOC on governance matters, including but not limited to client complaints, the launch of new benchmarks, operational incidents (including errors & restatements), major announcements and material changes concerning the benchmarks, the results of any reviews of the benchmarks (internal or external) and material stakeholder engagements

Index and data reviews

BISL reviews the Methodology on a periodic basis, and at least annually, to determine whether it continues to:

- (i) be robust and reliable;
- (ii) have clear rules, including regarding discretion;
- (iii) be rigorous, continuous and capable of validation;
- (iv) be resilient and ensures the Index can be calculated in the widest range of possible circumstances, without compromising its integrity; and
- (v) be traceable and verifiable.

In doing so, BISL will assess whether the Index continues to represent the market that it is intended to measure. More frequent reviews may result from extreme market events and/or material changes to the underlying market. Non-exhaustive examples of extreme market events include trading events such as trading interruptions or unexpected market closures, resulting in unusual market illiquidity or market volatility; exchange closures, government interventions, a pandemic or a natural catastrophe resulting in exceptional periods of stress.

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 (read in conjunction with the [Bloomberg Global Equity Index 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 Index in connection with the periodic rebalancing of the Index or as otherwise appropriate. Please see the [Bloomberg Global Equity Index Methodology](#) for further information on calculation of the Index in the event of market disruption.

Any resulting change to this Methodology 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. Any relevant changes will be reflected and tracked in updated versions of this Methodology.

BISL will consult with users of the Index on changes to the Methodology and seek user input. The stakeholder engagement will set forth the rationale for any proposed changes (including whether the representativeness of the Index or its appropriateness as a reference for financial instruments or contracts would be at risk if the proposed changes are not made), the key elements of the

¹ Note that administrators of significant (but not critical) benchmarks may opt not to disclose (i) the roles performed by any persons involved in reviewing and approving the methodology and (ii) a description of the procedure for the nomination and removal of the persons involved in reviewing and approving the methodology.

Methodology that would, in BISL's view, be affected by the proposed change, as well as the timeframe and process for responses. BISL will provide at least two weeks' notice prior to any change going into effect. In the event of exigent market circumstances or if required by law or regulation, this period may be shorter. Subject to requests for confidentiality, stakeholder feedback and BISL's responses will be made accessible upon request.

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.

Expert judgement

The Index is rules-based, and its 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 this Methodology and internal procedures manuals. In certain circumstances exercises of expert judgment or discretion are reviewed by senior members of BISL management and Legal & 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 Index is rules-based, and its construction is designed to consistently produce Index levels without the exercise of discretion. The Index is produced without the interpolation or extrapolation of input data.

In addition, BISL 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 index requires 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, BISL 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 levels 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:

Event	Action (If discovered within 2 business days)
Missed corporate action	
Spin-off	Restate indices and reissue file
Regular cash dividend	
Special cash dividend	
Stock split	
Stock dividend, bonus	
Mergers & acquisition	Update made the next business day; no restatement and no reissuance of files
Delisting	
Reclassification	
Change in listing	
IPO incorrectly added	Update made at next rebalance
Rebalance	
Incorrect add	Unless the error is discovered during pro-forma period, update will be made at next rebalance
Incorrect removal	
Share changes	

Benchmark Administrator

This index has been created by Bloomberg Index Services Limited (BISL) in its capacity as a benchmark administrator and BISL retains control over all aspects of the provision of this index.

Appendix A: ESG Disclosure

If a security/issuer is included in Sustainalytics research coverage for at least one of the ESG screens listed below, the Index will deem such security/issuer as eligible for inclusion, provided it meets the relevant Index eligibility rules. A security/issuer will otherwise not be eligible for inclusion in the Index.

The below annex is an exhaustive list of the ESG factors taken into account in this benchmark methodology, including where applicable those ESG factors listed in Annex II of Delegated Regulation (EU) 2020/1816 for the underlying asset class.

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.		Emerging Markets Human Flourishing 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:		See below.	
b) List of social factors considered:		See below.	
c) List of governance factors considered:		See below.	
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.			
List of social factors considered:	Abortion	Exclusion	Excludes researched companies that engage in providing medical procedures which include abortion and contraceptive surgical procedures, as well as the production and distribution of abortifacients.
	Adult Entertainment	Exclusion	Excludes researched companies that derive revenue from adult entertainment, which includes producers of adult movies, cinemas that show adult movies, adult entertainment magazines, and the broadcasting of adult entertainment.
	Alcoholic Beverages	Exclusion	Excludes researched companies that derive 10% or more revenue from alcoholic beverages, which includes producers of these beverages as well as retailers, distributors, and suppliers of alcohol-related products/services to alcoholic beverage manufacturers.
	Employees - Human Rights Controversies	Exclusion	Excludes researched companies involved in any controversial event in this incident category related to violations of the human rights of employees within a company's own operations. This includes incidents involving the use of forced labor, slavery, child labor, and discrimination or sexual exploitation.
	Gambling	Exclusion	Excludes researched companies that derive 10% or more revenue from gambling, which includes companies that offer gambling services (operation of casinos, lotteries, bookmaking, online gambling, etc...), gambling products (slot machines and other gambling devices), or supporting products/services to gambling operations.

	Tobacco	Exclusion	Excludes researched companies that derive 10% or more revenue from tobacco products, including tobacco products manufacturers, retailers and distributors, as well as companies providing tobacco-related products or services.
	UNGC Guidelines	Exclusion	Excludes researched companies that are on the watchlist or non-compliant with the United Nations Global Compact (UNGC) principles of Human Rights, Labor, and Anti-Corruption.
7. Data and standards used.			
a) Data input. <i>(i) Describe whether the data are reported, modelled or, sourced internally or externally.</i> <i>(ii) Where the data are reported, modelled or sourced externally, please name the third party data provider.</i>		All ESG data for the benchmarks is sourced externally from Sustainalytics (reported and modelled from Product Involvement, Global Standards Screening, Controversy, and Risk Ratings data libraries). Please refer to the link below for additional details: https://www.sustainalytics.com/investor-solutions/esgresearch/esg-screening/esg-criteria	
b) Verification of data and guaranteeing the quality of those data. <i>Describe how data are verified and how the quality of those data is ensured.</i>		<p>Sustainalytics has processes in place to validate the quality and reliability of the data.</p> <ul style="list-style-type: none"> • Universe Management <ul style="list-style-type: none"> ○ 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 <ul style="list-style-type: none"> ○ 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 <ul style="list-style-type: none"> ○ 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 <ul style="list-style-type: none"> ○ 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 <i>Describe the international standards used in the benchmark methodology.</i>		N/A	
Date on which information has been last updated and reason for the update:		October 2023, Update of the Annex	

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+86 10 6649 7500

Dubai

+971 4 364 1000

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+49 69 9204 1210

Hong Kong

+852 2977 6000

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+44 20 7330 7500

Mumbai

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San Francisco

+1 415 912 2960

São Paulo

+55 11 2395 9000

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+81 3 4565 8900