

CONSIDERATION OF ESG FACTORS IN THE BENCHMARK METHODOLOGY	
Item 1. Name of the benchmark administrator.	STOXX Ltd.
Item 2. Type of benchmark.	Equity
Item 3. Name of the benchmark.	Benchmark – ISS STOXX Asia/Pacific AC Biodiversity Index Family – STOXX Thematic Index Family (ESG)
Item 4. Does the methodology take into account ESG factors?	Yes
Item 5. ESG factors taken into account for benchmark family.	
(a) List of environmental factors considered	<p>This benchmark family takes the following environmental factors into account by exclusion: Global Standards Screening; Controversy Ratings; Environmental Ratings, Overall ESG Ratings; Unconventional Oil & Gas; Conventional Oil & Gas; Thermal Coal; Genetically Modified Plants & Seeds; Pesticides; Palm Oil; Power Generation from Fossil Fuels; Subsectorial Classification.</p> <p>This benchmark family takes the following environmental factors into account by selection: Environmental Ratings, Overall ESG Ratings.</p> <p>This benchmark family takes the following environmental factors into account by weighting: Environmental Ratings, Overall ESG Ratings; EU Climate Transition Benchmark (EU CTB) requirements; EU Paris Aligned Benchmark (EU PAB) requirements.</p>
(b) List of social factors considered	<p>This benchmark family takes the following social factors into account by exclusion: Global Standards Screening; Controversy Rating; Social Rating, Overall ESG Rating; Controversial Weapons; Weapons (Small Arms & Military Contracting); Nuclear Power; Tobacco; Adult Entertainment; Alcoholic Beverages; Fur & Speciality Leather; Gambling; Abortion; Contraceptives; Human Embryonic Stem Cells; Genetically Modified Plants & Seeds; Predatory Lending; Subsectorial Classification.</p> <p>This benchmark family takes the following social factors into account by selection: Social Rating; Overall ESG Rating.</p> <p>This benchmark family takes the following social factors into account by weighting: Social Rating; Overall ESG Rating.</p>
(c) List of governance factors considered.	<p>This benchmark family takes the following governance factors into account by exclusion: Global Standards Screening; Governance Rating; Overall ESG Rating.</p> <p>This benchmark family takes the following governance factors into account by selection: Governance Rating; Overall ESG Rating.</p> <p>This benchmark family takes the following governance factors into account by weighting: Governance Rating; Overall ESG Rating.</p>
Item 6. ESG factors applied for the stated benchmark.	

(a) List of environmental factors considered	UN Global Compact Violations	Exclusion
	Product Involvement – GMO Agriculture	Exclusion
	Product Involvement – Palm Oil	Exclusion
	Product Involvement – Hazardous Pesticides	Exclusion
	Product Involvement – Thermal Coal	Exclusion
	Product Involvement – Unconventional Oil & Gas	Exclusion
	SDG Impact Rating: UN Sustainable Development Goals 6,7,11,12,13,14,15 Obstruction	Exclusion
	ISS ESG BIAT PDF	Exclusion
	GHG Intensity Reduction	Exclusion
(b) List of social factors considered	UN Global Compact Violations	Exclusion
	Business Involvement – Controversial Weapons	Exclusion
	Product Involvement – Animal Welfare	Exclusion
	Product Involvement – Animal Testing	Exclusion
	Product Involvement – Fur Involvement	Exclusion
	Product Involvement – Tobacco	Exclusion
	Product Involvement – Civilian Firearms	Exclusion
	Product Involvement – Military Equipment	Exclusion
(c) List of governance factors considered.	UN Global Compact Violations	Exclusion
Description of factors considered.	<p>UNGC Violations: ISS Global Standards Screening provides an assessment of a company's impact on stakeholders and the extent to which a company causes, contributes or is linked to violations of international norms and standards (UNGC, OECD, UNGPs and their underlying conventions).</p> <p>Controversial Weapons: ISS Controversial Weapons Radar monitors company involvement in the following areas: anti-personnel mines, biological and chemical weapons, cluster weapons, depleted uranium, nuclear weapons and white phosphorus weapons.</p> <p>GHG Intensity is defined as the sum of Scope 1, Scope 2 and Scope 3 emissions from ISS ESG over Enterprise Value Including Cash (EVIC).</p> <p>ISS ESG SDG Impact Rating identifies companies' positive and negative impact towards the UN Sustainable Development Goals (UN SDGs) across three pillars: Product & Services, Operations and Controversies. STOXX will use the dataset to minimize index exposure to obstructions in the 4 environmental related UN SDGs, SDG 6 Clean water & sanitation, SDG 7 Affordable & clean energy, SDG 11 Sustainable cities & communities, SDG 12 Responsible Consumption and Production, SDG 13 Climate Action, SDG 14 Life Below Water and SDG 15 Life On Land., by screening out companies identified to have significant obstruction in these areas.</p>	

	<p>ISS ESG BIAT PDF metric aims to quantify the impact of corporates on biodiversity. The metric represents the potential decline in species richness in an area over a period due to unfavourable conditions associated with environmental pressures.</p> <p>Product Involvement: ISS Product Involvement Research identifies companies' involvement on a range of product involvement categories.</p> <p>More detailed information on the application of these categories is available within the relevant methodology guides. https://www.stoxx.com/rulebooks</p>
<p>Item 7. Data and standards used</p>	
(a) Data input.	<p>The data are sourced externally from:</p> <p>(i) ISS ESG, a subsidiary of Institutional Shareholder Services Inc. https://www.issgovernance.com/esg/</p>
(b) Verification and quality of data.	<p>The verification and quality of data are checked both externally and internally by automated and manual quality assurance processes involving, inter alia, change control; change mapping; ID mapping; exception reporting; pre-publication reviews; continuous incident monitoring; quarterly rebalancing and centralised definitions.</p>
(c) Reference standards	<p>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.</p> <p>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).</p> <p>ESG Rating: The input comprises company reports, quantitative data from external sources, such as greenhouse gas (GHG) emissions or water consumption, materiality assessments as provided by companies, and third-party research, including regulatory news, sustainability Account Standards Board (SASB) information and assessments from the United Nations-supported Principles for Responsible Investment (PRI).</p>
Date on which information has been last updated and reason for the update:	<p>May 2023 - Second Version Index name change</p>