

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 – iSTOXX APG World Responsible Low-Carbon Minimum Volatility index Family - STOXX Environmental Social & Governance Family
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	APG ESG-Leader Flag	Selection
	APG Carbon Footprint Equity Measure	Weighting
	APG Sustainability Risk Score	Weighting
(b) List of social factors considered	APG Exclusion Flag	Exclusion
	APG ESG-Leader Flag	Selection
	APG Sustainability Risk Score	Weighting
(c) List of governance factors considered.	APG ESG-Leader Flag	Selection
	APG Sustainability Risk Score	Weighting
Description of factors considered.	<p>APG Exclusion Flag: a data attribute designed to identify companies for their involvement in production, sale or distribution of controversial weapons (nuclear weapons, cluster munitions, anti-personnel mines, chemical or biological weapons) and production of tobacco products.</p> <p>APG ESG-Leader Flag: a data attribute designed to identify companies that are considered to be adequately managing ESG risks. Under this policy, companies are systematically assessed based on their conduct in relation to the management of ESG-related risks inherent in companies’ industries and markets. The assessment contains both normative and relative components and focuses on companies’ preparedness and behavior regarding business ethics, human rights, labor standards and the environment.</p> <p>APG Carbon Footprint Equity Measure: a data attribute that reflects the total absolute emissions of attributable to the equity capital of a company.</p> <p>APG Sustainability Risk Score: a data attribute on an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of an investment. The underlying methodology uses a public SASB materiality map that forms a basis for APG AM ESG Risk Taxonomy to identify the financially material issues that are reasonably likely to impact the financial condition or operating performance of an entity and hence has been applied as a basis for the (financial) risk identification. A Sustainability Risk Score uses MSCI ESG Key Issue scores aligned with SASB framework to identify and manage ESG risks.</p> <p>More detailed information on the application of these categories is available within the relevant methodology guides. https://www.stoxx.com/rulebooks</p>	
Item 7. Data and standards used		
(a) Data input.	The data are sourced externally from: APG	
(b) Verification and quality of data.	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.	

(c) Reference standards	<p>Dutch law and international treaties and conventions of the Netherlands.</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>The Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises, The IGGN Global Corporate Governance Principles (Revised 2017), The United Nations Global Compact (UNGC) Principles, The Sustainability Accounting Standards Board (SASB)</p>
Date on which information has been last updated and reason for the update:	February 2023 – Methodology Change