

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 – STOXX North America 600 SRI 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	UN Global Compact and the OECD Guidelines	Exclusion
	GHG Emission Intensity	Exclusion
	Product Involvement – Fossil Fuels	Exclusion
	Product Involvement – Conventional Oil & Gas	Exclusion
	Product Involvement – Unconventional Oil & Gas	Exclusion
	Product Involvement – Nuclear Power	Exclusion
	Product Involvement – Thermal Coal	Exclusion
	Overall ESG Rating	Exclusion
	ESG Performance Score	Selection
(a)List of social factors considered	UN Global Compact and the OECD Guidelines	Exclusion
	Business Involvement – Controversial Weapons	Exclusion
	Product Involvement – Adult Entertainment	Exclusion
	Product Involvement – Alcohol	Exclusion
	Product Involvement – Gambling	Exclusion
	Product Involvement – Military Contracting	Exclusion
	Product Involvement – Civilian Arms	Exclusion
	Product Involvement – Tobacco	Exclusion
	Overall ESG Rating	Exclusion
	ESG Performance Score	Selection
(c)List of governance factors considered.	UN Global Compact and the OECD Guidelines	Exclusion
	Overall ESG Rating	Exclusion
	ESG Performance Score	Selection
Description of factors considered.	<p>UN Global Compact and the OECD Guidelines: ISS-ESG assesses companies' adherence to international norms on human rights, labour standards, environmental protection and anti-corruption established in the UN Global Compact and the OECD Guidelines.</p> <p>Controversial Weapons: ISS-ESG assesses companies' involvement in banned or controversial weapons, including anti-personnel mines, biological weapons, chemical weapons, cluster munitions, depleted uranium programs, nuclear weapons (including non-NPT countries, i.e., countries not belonging to the Nuclear Non-proliferation Treaty), and white phosphorus.</p> <p>Product Involvement: ISS-ESG assesses companies' involvement in a wide range of products and services Adult Entertainment, Alcohol, Gambling, Tobacco, Conventional Oil & Gas, Unconventional oil & gas, Thermal coal, Nuclear power, Civilian Firearms, and Military.</p> <p>Overall ESG Rating: The ESG Corporate Rating measures performance on an absolute</p>	

	<p>twelve-point letter and underlying numerical scale from A+/4.00 (excellent performance) to D-/1.00 (poor performance).</p> <p>GHG Emission Intensity: Scope 1 and Scope 2 emission intensity sourced from ISS ESG. ISS ESG collects all publicly available self-reported greenhouse gas emissions data. In instances of non-reporting, emissions are estimated by ISS ESG using their climate emissions model based on the sector and subsector the company belongs to.</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.	<p>The data are sourced externally from:</p> <p>(i) ISS ESG 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>UN Global Compact and the OECD Guidelines: 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> <p>ISS ESG's climate solutions follow the GHG Protocol and have been developed in line with various best practice and regulation-driven international reporting initiatives such as the Swedish AP fund guidelines, the Taskforce on Climate-related Financial Disclosures (TCFD), the French Energy Transition Law, the Dutch Platform Carbon Accounting Financials (PCAF), the German FNG label, the Febelfin Sustainability Standard, the Financial Stability Board and others.</p>
Date on which information has been last updated and reason for the update:	<p>Nov 2024 – Third Version</p> <p>Change in the data source to ISS ESG and renaming of 'Civilian Firearms'</p>