

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 Europe Total Market Defense Enhanced Index 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 &amp; Gas; Conventional Oil &amp; Gas; Thermal Coal; Genetically Modified Plants &amp; 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.</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 &amp; Military Contracting); Nuclear Power; Tobacco; Adult Entertainment; Alcoholic Beverages; Fur &amp; Speciality Leather; Gambling; Abortion; Contraceptives; Human Embryonic Stem Cells; Genetically Modified Plants &amp; 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	Norm violators	Exclusion
	Climate transition	Exclusion
(b) List of social factors considered	Norm violators	Exclusion
	Controversial Weapons	Exclusion
(c) List of governance factors considered.	Norm violators	Exclusion
Description of factors considered.	<p>Norm violators: Companies that persistently fail to remedy violations of international norms and are unresponsive to engagement or otherwise show little prospect of improvement. Based on this assessment, Nykredit determines whether it is realistic that the company will change its practices. If not, the company will be excluded. This includes companies involved in the production of tobacco, as this will be seen by the UN Global Compact as a breach of the 10 Global Compact Principle.</p> <p>Controversial Weapons: Confirmed producers or distributors of controversial weapons. This means anti-personnel mines, cluster munitions, biological weapons, chemical weapons, depleted uranium, white phosphorus, lasers aimed to blind humans, and nuclear weapons outside the Nuclear Non-Proliferation Treaty.</p> <p>Climate transition: Nykredit will exclude companies which are involved in unconventional extraction of oil and gas or drilling in the Arctic, production of thermal coal, contravention of the IEA's Net Zero Emissions scenario,</p> <p>More detailed information on the application of these categories is available within the relevant methodology guides.</p> <p><a href="https://www.stoxx.com/rulebooks">https://www.stoxx.com/rulebooks</a></p>	
Item 7. Data and standards used		
(a) Data input.	<p>The data are sourced externally from:</p> <p>(i) Data is referred from Nykredit</p> <p><a href="#">Policy for Sustainable Investments 2024</a></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>	

Date on which information has been last updated and reason for the update:

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