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 Europe Ex Tobacco Industry Neutral ESG 250 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	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. This benchmark family takes the following environmental factors into account by selection: Environmental Ratings, Overall ESG Ratings. 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.
(b)List of social factors considered	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 Environmental; Alcoholic Beverages; Fur & Speciality Leather; Gambling; Abortion; Contraceptives; Human Embryonic Stem Cells; Genetically Modified Plants & Seeds; Predatory Lending, Subsectorial Classification. This benchmark family takes the following social factors into account by selection: Social Rating; Overall ESG Rating. This benchmark family takes the following social factors into account by weighting: Social Rating; Overall ESG Rating.
(c)List of governance factors considered.	This benchmark family takes the following governance factors into account by exclusion: Global Standards Screening; Governance Rating; Overall ESG Rating. This benchmark family takes the following governance factors into account by selection: Social Rating; Overall ESG Rating. This benchmark family takes the following governance factors into account by weighting: Social Rating; Overall ESG Rating.

Item 6. ESG factors applied for the stated benchmark.

(a)List of environmental factors considered	UN Global Compact Violations	Exclusion	
	Environmental Rating	Exclusion	
	Overall ESG Score	Selection	

(a)List of social factors considered	UN Global Compact Violations	Exclusion	
	Social Rating	Exclusion	
	Business Involvement – Controversial Weapons	Exclusion	
	Subsectorial Classification – Tobacco	Exclusion	
	Overall ESG Score	Selection	

(c)List of governance factors considered.	UN Global Compact Violations	Exclusion	
	Governance Rating	Exclusion	
	Overall ESG Score	Selection	

Description of factors considered.	UNGC Violations: Sustainalytics' 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).
	Environmental, Social & Governance Ratings: Sustainalytics' Environmental' Social and Governance Ratings measure how well issuers proactively manage the environmental, social and governance issues that are the most material to their business.
	Overall ESG Rating: Sustainalytics' ESG Ratings measure an overall total rating on how well issuers proactively manage their combined environmental, social and governance issues.
	Controversial Weapons: Sustainalytics' 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.
	Subsectorial Classification. FTSE Russell Industry Classification Benchmark Subsectors are the lowest level of taxonomic hierarchy for the categorization and comparison of companies.

Item 7. Data and standards used

(a) Data input.	The reported data are sourced externally from:
	(i) Sustainalytics, a wholly owned subsidiary of Moriningstar Inc. https://www.sustainalytics.com/ (ii) FTSE Russell, a a wholly owned subsidiary of London Stock Exchange Group. https://www.ftserussell.com/
(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	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. 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).
Date on which information has been last updated and reason for the update:	December 2020 - First Version