ROBECO

Robeco Sustainable Multi-Factor Equities Indices

Benchmark Statement

Publication: December 2023

Contents

1. Introduction

The Robeco Sustainable Multi-Factor Equities Indices are a family of (customized) indices that seek efficient exposure to proven factor premiums: Value, Momentum, Quality and Low-Volatility while having an increased exposure to high impact stocks that have a positive societal contribution to SDGs and significantly reduce carbon footprint. The indices are considered to fall within the definition of a 'benchmark' as defined under the EU Benchmark Regulation. In order for users of these benchmarks to assess whether a benchmark is likely suitable for their needs, the administrator of the Robeco Sustainable Multi-Factor Equities indices has prepared this document specifying the key information. All indices part of this family qualify as non-significant benchmarks pursuant to article 3(1)(27) of the Benchmark Regulation.

Terms used in this document shall have the meaning ascribed in Appendix I: Key terms relating to the benchmark. The document and any updates are made available on the website of Robeco Indices B.V., Indices (robeco.com).

Version history (as of October 2020)		
#6	December, 2023	Update of section "Index changes and cessations" and index methodology (carbon footprint reduction, transition leaders & Climate Beta)
#5	October, 2023	Periodic update of ESG disclosures
#4	January, 2023	Update of ESG disclosure data source to (predominantly) Sustainalytics
#3	March, 2022	Update of index methodology (SDG exclusions, carbon footprint reduction)
#2	October, 2021	Periodic update of ESG disclosures
#1	October, 2020	Publication of benchmark statement compliant with the newly required ESG disclosures

2. Objective of the Robeco Sustainable Multi-Factor Equities Indices

The Robeco Sustainable Multi-Factor Equities Indices are a family of indices that seek efficient exposure to proven factor premiums: Value, Momentum, Quality and Low-Volatility while having an increased exposure to high impact stocks that have a positive societal contribution to SDGs and significantly reduce carbon footprint. The objective of the Robeco Sustainable Multi-Factor Equities Indices is to reflect the return of these factors within their geographical markets, subject to screening of the investable universe for stocks that do not have severe adverse impact on the UN Sustainable Development Goals, reduce carbon footprint and contribute positively to a low carbon economy. These geographical markets are represented by a global, investable opportunity set, consisting of equity securities that together form the top 85% of each local market's available capital (large-cap and mid-cap companies). The universe of the Robeco Sustainable Multi-Factor Equities Indices is based on the underlying indices of S&P Dow Jones Indices (S&P DJI). All stocks of the indices in this family are also constituent of these underlying S&P indices.

The index objectives are achieved through the use of a rule-based methodological approach to index construction and maintenance.

The table below shows the indices that are part of this index family, the underlying indices used, as well as the Bloomberg ID of the USD Total Return indices.

Bloomberg ID	*Robeco Sustainable Multi-Factor Equities Index*	*Universe / Underlying market-cap weighted index*
R0-801TR	Robeco Global Sustainable Multi-Factor Equity Index	S&P Global BMI Large Mid Cap Index

For more information on the construction of the underlying universe or market-cap weighted indices, please refer to the methodology of the indices which is published on the S&P DJI website, Index Finder | S&P Dow Jones Indices (spglobal.com)

In certain circumstances, such as changes in the underlying market structure, market events and regulatory changes, the measurement of the underlying economic reality may become unreliable. These circumstances may trigger discretionary decisions, ad-hoc methodology reviews and/or index changes. These processes are described in this benchmark statement.

3. Construction and maintenance of Robeco Sustainable Multi-Factor Equities Indices

3.1 Applying weights to the constituents

The Robeco Sustainable Multi-Factor Equities Indices provide exposure to four proven factor premiums, while taking into account the societal contribution to SDGs and significantly reduce carbon footprint, while retaining the transition leaders. The underlying benchmark universe is screened and adjusted based on the following characteristics:

Sustainability:
Stocks will only be selected if classified to not have severe adverse impact on the UN Sustainable Development Goals. The Robeco SDG Framework rigorously measures and scores companies based on their SDG contributions. It is a systematic approach to capturing SDG impact of equity and credit issuers that is objective, disciplined and replicable. It consists of a three-step sequence that starts with an assessment of the impact of a company's products and services. Step two consists of an in-depth analysis of the impact of its operations, internal policies and structures. The process ends with a screening and review of corporate controversies that could negatively influence SDG progress, and hence a company's SDG impact. The final results of this three-step analysis are quantified in an SDG score (from -3, -2, ..., to +3). All stocks with a severely negative SDG score are excluded from the universe.

Carbon footprint reduction:
The index has as objective to significantly reduce its carbon footprint relative to the universe. The carbon footprint of company is measured by normalizing the greenhouse gas (GHG) emissions[1], Scope 1, 2 and 3 Upstream, by Enterprise Value Including Cash (EVIC). As part of the index construction algorithm, a restriction is included that the index' carbon footprint is 20% lower than the universe's.

Transition leaders:
The index overweighs stocks that are considered to be a transition leader if it is considered to have a positive contribution to the low carbon economy. To classify as transition leader, a stock must have a combined positive SDG score on SDG 7 'Affordable and Clean Energy' and SDG 13 'Climate Action'. As part of the index construction algorithm, a restriction is included that the index' average combined SDG score on SDG 7 & 13 is higher than the universe's.

Climate Beta:
The index underweighs stocks that are considered to be more susceptible to climate risk. Climate risk is measured through the Climate Beta of a company which estimates the correlation of a company's stock returns with an observable proxy[2] for the financial risk of climate change. As such, the Climate Beta of a company tells us whether the company is positively or negatively exposed to climate risks and the global transition to a low carbon economy. Companies with a high Climate beta are expected lose value from this transition, while companies with a low Climate Beta are expected to gain value. As part of the index construction algorithm, a restriction is included that the index' average Climate Beta is lower than the universe's.

[1] GHG emission data is sourced from Trucost Environmental Data.
[2] The proxy for the financial risk of climate change is a factor portfolio that is constructed in a similar fashion as the Fama and French (2015) factors. The proxy is a portfolio that goes long in the 30% companies that are considered transition laggards and shorts the 30% companies that are considered transition leaders, based on the Climate SDG score (the combined SDG score on SDG 7, 11 and 13).

Factors:
Based on the screened and adjusted universe and a Robeco proprietary stock selection model, using value, momentum, quality and low-volatility criteria, a quantitative stock ranking is created. Using the validated ranking from the stock selection model, the index construction algorithm reweights the constituents, overweighting attractive stocks and underweighting unattractive stocks, based on the following characteristics.

- **Value**: stocks which are cheap compared with their intrinsic value, measured using e.g. book-to-market value, exhibit significantly higher returns than stocks that are expensive compared with their intrinsic value.
- **Momentum**: stocks that performed well in the recent past, on average outperform other stocks in the subsequent period; while stocks with poor returns, tend to lag behind in the following period.
- **Quality**: stocks with high profitability, high earnings quality, and conservative investment behavior generate outperformance over the market portfolio, while stocks with the opposite characteristics tend to underperform.
- **Low-volatility**: low-risk stocks tend to generate market-like returns with significantly lower risk, while high-risk stocks typically even fall short of the market, despite their much higher risks.

Other restrictions:
- The maximum allowed weight of a single stock in the index is 4%
- A minimum target transaction size of 1 basis point

The efficient index construction algorithm tilts the index towards stocks with attractive valuation, strong positive momentum, high earnings potential and lower expected risk, while keeping turnover low. The algorithm also ensures appropriate diversification and prevents unintended geographic or sector biases, as well as undue concentration to individual stocks or segments of the equity markets.

Robeco Indices B.V. ("Robeco") has outsourced the calculation and maintenance of the Robeco Sustainable Multi-Factor Equities Indices to S&P DJI acting as the calculation agent.

3.2 Rebalancing

Rebalancing of the Robeco Sustainable Multi-Factor Equities Indices is performed quarterly. Constituent changes are typically communicated to clients two days before they are scheduled to be implemented. Constituent changes are communicated to all clients at the same time and are not made publicly available.

3.3 Index calculation

The Robeco Sustainable Multi-Factor Equities Indices are calculated end-of-day by S&P DJI. Index calculations include price-, total- and net- return series:
- Price return indices reflect the market price performance for all securities in the index.
- Gross total return (Total Return) indices reflect the return to an investor where dividends are reinvested without deduction of a withholding tax. Cash dividends are in general applied on the ex-date of the dividend.
- Net total return (Net Return) indices reflect the return to an investor where dividends are reinvested after the deduction of a withholding tax. The tax rate applied is the rate to non-resident institutions that do not benefit from double taxation treaties.

The Robeco Sustainable Multi-Factor Equities Indices are calculated in U.S. dollars, euros and British pounds.

For more information on the index calculation methodology, please refer to S&P DJI's Index Mathematics Methodology, which is available on the S&P DJI website, Methodologies - Governance | S&P Dow Jones Indices (spglobal.com).

3.4 Input data

Data used by S&P DJI for determination of the Robeco Sustainable Multi-Factor Equities Indices include (in order of priority):

a. Completed transaction data (closing prices) from stock exchanges;
b. For certain corporate actions, theoretical prices may be derived using the existing security price and the specifics of the corporate action.

In addition, WM/Refinitiv foreign exchange rates are taken daily at 04:00 PM London time and used in the calculation of the indices. These mid-market fixings are calculated by the WM Company based on Reuter's data and appear on Refinitiv pages WMRA.

The Robeco Sustainable Multi-Factor Equities Indices are calculated based on the values of the underlying equities, which are determined by its last closing price on the primary exchange where it is listed. The closing prices are received from S&P DJI's third party vendors, who receive the closing prices from the primary exchanges. Closing prices received by S&P DJI from one of its third party vendors are verified by comparing them with prices from an alternative vendor. The benchmarks are not determined using contributions of input data.

3.5 Exceptional circumstances

The Robeco Sustainable Multi-Factor Equities Indices rely on the continued availability of closing prices from stock exchanges. The potential limitations of the indices include circumstances where a significant portion of the closing prices of constituents of the indices are unavailable, for example due to unexpected market or exchange closures.

In general, all constituents (underlying equities) of the index will receive a daily closing price. Based on these closing prices the indices are calculated daily throughout the calendar year. The only days an index is not calculated are on days when all exchanges where the index constituents are listed are officially closed. In certain circumstances, for example unexpected market or exchange closures, not all securities in the index will receive a closing price on a particular day. Unexpected market/exchange closures are usually due to unforeseen circumstances, such as natural disasters, inclement weather, outages, or other events. Generally, if all exchanges are closed due to these unforeseen circumstances, the day will be treated as an unscheduled market holiday and no index will be calculated. Indices containing multiple markets will be calculated as normal, provided that at least one market is open that day.

For information on the policies in case of unexpected exchange closures, please refer to S&P DJI's Equity Indices Policies & Practices document located on the S&P DJI website, Methodologies - Governance | S&P Dow Jones Indices (spglobal.com).

3.6 Discretion in constructing and maintaining the indices

The Robeco Sustainable Multi-Factor Equities Indices are constructed and calculated following the methodology as described in this benchmark statement and the standard policies and practices of S&P DJI. Certain events beyond the control of Robeco and S&P DJI, and which are not addressed by the methodology and standard policies and practices, may affect the construction and calculation of the indices, including, but not limited to:

- Possible market disruption
- New or complex corporate actions
- Excessive index changes or adjustments
- Country specific regulation
- Unnecessary turnover
- Unavailability of necessary input data

In such circumstances discretion may be used in the construction and calculation of the indices. In addition, as part of the rebalance process, expert judgement can be exercised to improve the investability, or lower the risk, of the indices; as long as it is immaterial and meeting the objectives of the methodology. The exercise of expert judgement and impact on the index are reviewed and signed off by a senior portfolio manager of Robeco Indices.

In case the calculation agent S&P DJI encounters any event where discretion is required in the calculation of the indices, S&P DJI consults with Robeco to decide on the appropriate action to be taken.

Any exercise of discretion in special circumstances which could have a material effect on the benchmark will be escalated to the Oversight Committee.

3.7 Error correction policy

In the event of an error in the construction or calculation of the Robeco Sustainable Multi-Factor Equities Indices, the following procedures apply.

Input data errors
Where an error in the calculation of the indices is due to incorrect input data, S&P DJI shall follow the procedures described in its standard Equity Indices Policies & Practices document located on the S&P DJI website, Methodologies - Governance | S&P Dow Jones Indices (spglobal.com).

Recalculation Events	***Treatment***
Closing Price	Incorrect constituent closing prices are generally corrected and reposted.
Missed or Misapplied Corporate Action	Missed corporate action events are corrected & reposted.
Late Announcement of a Corporate Action	Divisor Impact: Divisor-impacting information is corrected and reposted. No Divisor Impact: Late information, including regular cash dividends, that does not impact the index divisor are applied at the earliest opportunity when S&P DJI becomes aware of the event. For late announced or canceled dividends, S&P DJI may elect to use a Post Ex-date Dividend Adjustment in certain instances. Stock splits, bonus issues or stock dividends and reverse stock splits are applied on the correct ex-date. If these are announced on the same day (either that this is taking place or that a previously announced event is being postponed or cancelled), they are applied on the correct ex-date and files are not reposted. Same day corporate actions are included in the current day files, so previous day files are not reposted. If these are announced after the ex-date, then it is applied on the correct ex-date and files are regenerated and reposted.
Incorrect Calculation or Data Entry Error	Incorrect calculations or data entry mistakes caused by S&P DJI are corrected and impacted indices are recalculated.

In the event one of these recalculation events is discovered within two trading days of its occurrence, in general the index will be recalculated. In the event any such recalculation event is discovered beyond such two trading day period, Robeco and S&P DJI will decide on the appropriate action to be taken.

Construction and calculation errors
Where an error is detected in the construction or calculation of the indices, which is not an input data error, but that was caused by the incorrect application of the index methodology and results in the incorrect composition and/or weighting of index constituents, Robeco and S&P DJI will discuss the appropriate action to be taken in order to resolve the error. In case the error is discovered before the new index composition is sent to clients, Robeco and S&P

DJI will recalculate the index within the original rebalance timelines, if deemed feasible by S&P DJI. In the event an error is discovered beyond the rebalance period, after the new index composition has been sent out to clients, Robeco and S&P DJI will decide on the appropriate action to be taken. In the event Robeco chooses to recalculate an index, that shall be done within a reasonable timeframe following the detection and review of the issue. If it is determined that an index will be recalculated, the following steps will be taken upon completion of the recalculation:

- All impacted files are regenerated and reposted.
- All clients are notified of the recalculation and alerted when files have been successfully reposted.

3.8 Holiday Schedule

The Robeco Sustainable Multi-Factor Equities Indices are calculated on all business days of the year. S&P DJI publishes a calendar of holidays annually during the fourth quarter on their website, Methodologies - Governance | S&P Dow Jones Indices (spglobal.com).

3.9 Corporate Actions

Corporate actions (such as stock splits, stock dividends, spin-offs and rights offerings) are applied after the close of trading on the day prior to the ex-date. The Robeco Sustainable Multi-Factor Equities Indices follow the standard S&P DJI policy for Corporate Actions. For the main corporate actions, the treatment is described in the table.

Corporate Action	*Standard SPDJI Treatment*	*Divisor Change*
Company Addition/Deletion	Addition: The indices do not add companies between rebalancings. Deletion: The weights of all stocks in the index will proportionately change but relative weights will stay the same. The index divisor will change due to the net change in the index market capitalization.	Yes
Change in shares outstanding	Shares outstanding changes are offset by an adjustment factor (AWF). There is no change to the index market capitalization.	No
Split/Reverse Split	Shares outstanding are adjusted by split ratio. Stock price is adjusted by split ratio. There is no change to the index market capitalization.	No
Spin-off	The spin-off is added to the index on the ex-date at a price of zero. The spin-off index shares are based on the spin-off ratio. On the ex-date the spin-off will have the same attributes and capping adjustment factor (AWF) as its parent company, and will remain in the index for at least one trading day. As a result, there will be no change to the index divisor on the ex-date. If the spin-off is ineligible for continued inclusion, it will be removed after the ex-date. The weight of the spin-off being deleted is reinvested across all the index components proportionately such that the relative weights of all index components are unchanged. The net change in index market capitalization will cause a divisor change.	Depending on type of spin-off
Change in IWF	IWF changes are offset by an adjustment factor (AWF). There is no change to the index market capitalization.	No

Corporate Action	*Standard SPDJI Treatment*	*Divisor Change*
Ordinary dividend	When a company pays an ordinary cash dividend, also referred to as a regular cash dividend, the index does not make any adjustments to the price or shares of the stock.	No
Special dividend	The stock price is adjusted by the amount of the dividend.	Yes
Rights offering	All rights offerings that are in the money on the ex-date are applied under the assumption the rights are fully subscribed. The stock price is adjusted by the value of the rights and the shares outstanding are increased by the rights ratio. The change in price and shares is offset by an adjustment factor (AWF) to keep the index market capitalization (stock weight) unchanged.	No

For more information on corporate actions treatment, please refer to S&P DJI's Equity Indices Policies & Practices document located on the S&P DJI website, Methodologies - Governance | S&P Dow Jones Indices (spglobal.com).

4. Internal approval and review process

4.1 Design and validation of new methodologies

Our dedicated team of experienced specialists in the field of index construction and sustainability research is responsible for the design of new methodologies. When designing new methodologies, the team runs index simulations to verify the results of proposed methodologies. Survivorship bias and look-ahead biases can normally arise from back testing. In order to ensure the prevention of these biases, the historical databases, which are used for running back tests, are free from survivorship biases. In addition, look-ahead biases are prevented in the back tests by lagging accounting data.

Robeco's SDG Committee is responsible for maintaining, updating and improving Robeco's SDG framework. Robeco's dedicated sustainable investing analysts are responsible for the SDG scores. Using the SDG Framework, they continuously monitor the SDG impacts of the companies for which they are responsible. In principle, a company's SDG score is valid for 24 months. However, should the company become engaged in a controversy or should specific KPIs need to be added or adjusted, SI analysts will reassess a company's impacts accordingly.

New methodologies are internally reviewed and are presented to and reviewed by the Oversight Committee as part of its responsibility to supervise the design, development and approval of index methodologies.

4.2 Approval of new indices

Next to approving new methodologies, a separate procedure is in place for approval of new indices. The procedure for approval of a new index is as follows:

- A proposal to set up a new index is prepared.
- The Oversight Committee is informed, and in case required by the Oversight Committee, consulted about the set-up of the new index.
- The proposal to set up a new index is reviewed on appropriateness and impact, and approved by the relevant control functions, including Compliance and Risk Management.
- The Board of Directors of Robeco Indices B.V. reviews and approves the new index proposal.
- Robeco will launch the new index after approval of the Board of Directors of Robeco Indices B.V.

4.3 Review of methodology

The methodologies will be reviewed regularly, at least annually, internally, to ensure that the methodology still reflects its objective and complies with the Robeco standards. In addition, certain circumstances may trigger ad-hoc methodology reviews, including, but not limited to:

- Changes in underlying market structure
- Changes in the underlying S&P DJI indices
- Client feedback
- Market events

The Oversight Committee reviews the methodologies at least annually, to ensure the indices continue to achieve the stated objectives, taking into consideration feedback received from internal control functions, regulators, clients and other stakeholders.

5. Index changes and cessations

Robeco realizes to the fullest that changes to, or the cessation of a Benchmark may have a significant impact on financial contracts and financial instruments that reference to the Benchmark or use the Benchmark for the measurement of the performance of investment funds. To safeguard client interests and to provide transparency to the users of Benchmarks, the change and cessation procedure describes in detail what situations may cause a material change to or cessation of a Benchmark and what actions are to be taken as part of this procedure.

5.1 Material change

Several factors, including external factors beyond the control of the Robeco may necessitate changes to, or the cessation of, one or more Benchmarks or family of Benchmarks. These situations may include, *but are not limited to*:

- Methodology review outcomes;
- Changes in or cessation of the underlying Benchmark universe;
- Changes to the structure of the underlying market;
- Regulatory changes;
- Low usage.

A change is considered to be material in case the change:

- would lead to the insertion or deletion of any of the key elements of the methodology of the Benchmark;
- would have a potentially significant impact on the users of the benchmark, e.g., high turnover;
- would significantly impact the key ESG factors that are reflected in the index methodology.

Methodology updates that are not deemed as material change include minor adjustments to inclusion and/or exclusion criteria, parameter updates or other minor edits which do not lead to any of the aforementioned consequences that are affiliated with a material change.

5.2 Market consultation

In case of a material change, a market consultation will be part of the procedure in case of multiple Users of the benchmarks. Such market consultation, which includes the scope and rationale for the change or cessation, allows Robeco to get familiar with essential feedback from Benchmark users, while it also provides transparency.

The timeframe and duration of the consultation period will be determined by Robeco. The minimum time frame for the consultation period is at least 5 business days and must be concluded at least 2 weeks before the effective date of the change or cessation.

A summary of comments by the Users, external stakeholders and Robeco's response will be made accessible to all stakeholders after the consultation period, except where the commenter requested confidentiality.

5.3 Change & cessation procedure

Any proposed change to a Benchmark or proposed cessation of a Benchmark shall be submitted to the control functions of Robeco (amongst which in each case Compliance and Risk Management) for review on appropriateness and impact, and approval.

Following the review and approval by the control functions of Robeco, the proposed change or cessation, including whether a consultation will take place, will be submitted to the Board of Directors for approval.

Robeco's Oversight Committee has the responsibility of overseeing any changes to and/or cessation of a Benchmark. For each proposed change, the Oversight Committee has the ability to provide feedback on such changes.

Robeco shall announce the change or cessation of the Benchmark on the website of Robeco and/or via e-mail well in advance to the Users and at least 2 weeks before the effective date of the change or cessation. As per the effective date, Robeco will implement the change and adjust the applicable documentation (i.e. the benchmark statement and key elements of the methodology, which are published on the Robeco website.

Upon specific approval of the Board of Directors, a change in the methodology of a Benchmark may be implemented with a shorter notice and/or consultation period, e.g., in the event that urgent action is required, for example but without limitation, where the representativeness of the Benchmark and its appropriateness for its intended use are at risk.

5.4 Cessation of a benchmark

In case Robeco decides to terminate provision of a Benchmark, users will be informed as soon as possible of the cessation via an announcement on the website of Robeco and/or via e-mail. The process of the cessation and the expected timelines for the termination of the Benchmark will also be communicated in this announcement. Further, Robeco shall propose an appropriate alternative if such is available within the Robeco index range.

Appendix I: Key terms relating to the benchmark

The terms set out below are the key definitions and terms used in the benchmark statement for the Robeco Sustainable Multi-Factor Equities Indices administered by Robeco Indices B.V.

Term	*Definition*
Administrator	Robeco Indices B.V., being the legal person that has control over the provision of the Robeco Sustainable Multi-Factor Equities Indices.
Benchmark	An index by reference to which the amount payable under a financial instrument or a financial contract, or the value of a financial instrument, is determined, or an index that is used to measure the performance of an investment fund with the purpose of tracking the return of such index or of defining the asset allocation of a portfolio or of computing the performance fees.
Benchmark Regulation (or BMR)	Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014.
Benchmark statement	The benchmark statement that is required pursuant to article 27 BMR, focusing on providing the key information needed to users of the Robeco Sustainable Multi-Factor Equities Indices in an easily accessible manner.
Board of Directors	Body of the administrator which is empowered to set the strategy, objectives and overall direction of the administrator, and include persons who effectively direct the business of the administrator.
Calculation agent	S&P DJI, being a third party legal entity with delegated responsibility for determining the Robeco Sustainable Multi-Factor Equities Indices in accordance with the benchmark methodology set out by the administrator.
Constituent	Listed company, which is included in the index according to the application of the relevant underlying S&P DJI index methodology.
Contribution of input data	The provision of input data by a third party that is not readily available to the administrator, or to another person for the purposes of passing to the administrator, that is required in connection with the determination of a benchmark, and is provided for that purpose.
Family of benchmarks (or indices)	Group of benchmarks (or indices) provided by the same administrator and determined from input data of the same nature which provides specific measures of the same or similar market or economic reality.
Index	Figure that is published or made available to the public, that is regularly determined, entirely or partially by the application of a formula or any other method of calculation, or by an assessment, and on the basis of the value of one or more underlying assets or prices, including estimated prices, actual or estimated interest rates, quotes and committed quotes, or other values or surveys.
Input data	Data in respect of the value of one or more underlying assets, or prices, used by the administrator to determine the Robeco Sustainable Multi-Factor Equities Indices.
Non-significant benchmark	A benchmark that is categorized as a non-significant benchmark as defined under article 3 (1)(27) BMR, as a consequence of which the administrator is subject to a less detailed regime under the BMR.
Oversight Committee	Internal oversight function installed by the administrator providing oversight in respect of all aspects of the provision of indices, including but not limited to the design, development, approval and application of index methodologies.
Underlying index	The S&P index on which the universe of the Robeco Sustainable Multi-Factor Equities Index is based, as detailed in section 2.
Universe	Group of eligible equity securities, consisting of 100% of the constituents of the relevant underlying S&P DJI index.

Appendix II: Reflection of ESG Factors

Introduction

Regulation (EU) 2016/1011 requires benchmark administrators to explain in the benchmark statement how environmental, social and governance ('ESG') factors are reflected in each benchmark or family of benchmarks.

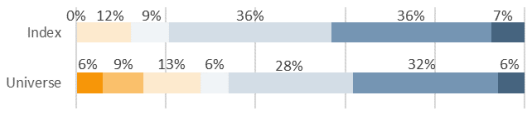
1	Consideration of ESG Factors	
Item 1	Name of the benchmark administrator	Robeco Indices B.V.
Item 2	Type of benchmark or family of benchmarks	Equity
Item 3	Name of the benchmark or family of benchmarks	Robeco Sustainable Multi-Factor Equities Indices
Item 4	Are there in the portfolio of the benchmark administrator any EU Climate Transition Benchmarks, EU Paris-aligned Benchmarks, benchmarks that pursue ESG objectives or benchmarks that take into account ESG factors?	☒ Yes ☐ No
Item 5	Does the benchmark or family of benchmarks pursue ESG objectives?	☒ Yes ☐ No
Item 6	Reflection of ESG factors in the benchmark methodology	
a)	List of combined ESG factors:	• Exclusions based on a company's contribution towards the UN Sustainable Development Goals. All stocks with a severely negative SDG scores, based on the Robeco SDG Framework, are excluded from the universe. • Weighting based on the index construction algorithm that tilts the index towards stocks that positively contributes towards the UN Sustainable Development Goals, while keeping turnover low.
b)	List of environmental factors:	• Reduction of the index carbon footprint relative to the universe. The carbon footprint of company is measured by normalizing the greenhouse gas (GHG) emissions, Scope 1, 2 and 3 Upstream, by Enterprise Value Including Cash (EVIC). A restriction is included that the index carbon footprint is 20% lower than the underlying universe. • Overweighing of stocks that are considered to be a 'transition leader'. To classify as transition leader, a stock must have a combined positive SDG score on SDG 7 'Affordable and Clean Energy' and SDG 13 'Climate Action'. A restriction is in place that the index' average combined SDG score on SDG 7 & 13 is higher than the universe. • Tilting away from stocks that are considered to be more susceptible to climate transition risk, based on the Climate Beta of a company. A restriction is in place that the weighted average Climate Beta of the index is lower than the underlying universe.
c)	List of social factors	• N/A
d)	List of governance factors:	• N/A
Item 7	Details in relation to ESG factors for each benchmark	Hyperlink(s) to the information: • Robeco Global Sustainable Multi-Factor Equities Index
Item 8	Description of data sources and reference standards used to provide information on the ESG factors in the benchmark statement.	Hyperlink(s) to the information: • Data and reference standards

2	Additional disclosure requirements for EU Climate Transition and EU Paris-aligned benchmarks	
Item 9	Where a benchmark is labelled as 'EU Climate Transition Benchmark' or 'EU Paris-aligned Benchmark', benchmark administrators shall also disclose the following information:	
a)	Forward-looking year-on-year decarbonisation trajectory;	• None of the benchmarks in the index family are labelled as EU Climate Transition Benchmark or EU Paris-aligned Benchmark.
b)	Degree to which the IPCC decarbonisation trajectory (1,5 °C with no or limited overshoot) has been achieved on average per year since creation;	• None of the benchmarks in the index family are labelled as EU Climate Transition Benchmark or EU Paris-aligned Benchmark.
c)	Overlap between those benchmarks and their investable universe, as defined in Article 1, point (e), of Commission Delegated Regulation (EU) 2020/1818 (1), using the active share at asset level.	• None of the benchmarks in the index family are labelled as EU Climate Transition Benchmark or EU Paris-aligned Benchmark.

3	Disclosure of the alignment with the objectives of the Paris agreement	
Item 10	By 31 December 2021, benchmark administrators shall, for each benchmark or, where applicable, each family of benchmarks, disclose the following information:	
a)	Does the benchmark align with the target of reducing carbon emissions or the attainment of the objectives of the Paris Agreement;	☐ Yes ☒ No
b)	The temperature scenario, in accordance with international standards, used for the alignment with the target of reducing GHG emissions or attaining of the objectives of the Paris Agreement;	• N/A
c)	The name of the provider of the temperature scenario used for the alignment with the target of reducing GHG emissions or the attainment of the objectives of the Paris Agreement;	• N/A
d)	The methodology used for the measurement of the alignment with the temperature scenario;	• N/A
e)	The hyperlink to the website of the temperature scenario used.	• N/A

4	Date on which information has last been updated and reason for the update:	
	Publication date:	December, 2023
	Index data:	December 18, 2023
	Reason for the update:	Update of index methodology

Appendix III: Robeco Global Sustainable Multi-Factor Equities Index

A	**Combined ESG factors:**	Details:	Indicator:
i	SDG score (compared to universe) -3 -2 -1 0 1 2 3		1.2 (0.6)
ii	SDG score of top 10 constituents	Apple Inc (3.9%)	1
		Eli Lilly & Co (1.4%)	2
		Amazon.com Inc (1.1%)	-1
		NVIDIA Corp (1.1%)	2
		Meta Platforms Inc (1.1%)	-1
		Alphabet Inc (Class A) (1%)	-1
		Alphabet Inc (Class C) (1%)	-1
		Novo Nordisk A/S (0.9%)	2
		Microsoft Corp (0.8%)	2
		Broadcom Inc (0.8%)	2
B	**Environmental:**	Details:	Indicator:
ii	Exposure to selected sectors	A Agriculture, forestry and fishing:	0%
		B Mining and quarrying:	0%
		C Manufacturing:	0%
		D Electricity, gas, steam, air conditioning supply:	0%
		E Water supply, sewerage, waste, remediation:	0%
		F Construction:	0%
		G Wholesale and retail trade repair of motor vehicles:	0%
		H Transportation and storage:	0%
		L Real estate activities:	0%
iii	GHG intensity in ton CO2eq / EVIC	Scope 1 & 2, coverage of >99% (compared to universe)	28.9 (57)
iv	Reported vs. estimated emissions	% of reported emissions	87%
v	High-emitting sector exposure (%)	05 Mining of coal and lignite:	0%
		06 Extraction of crude petroleum, natural gas:	0%
		07 Mining of metal ores:	0%
		08 Other mining and quarrying:	0%
		09 Mining support service activities:	0%
		19 Manufacture of coke, refined petroleum products:	0%
		20 Manufacture of chemicals, chemical products:	0%
vi	Exposure to environmental goods and services sector	Environmental & facilities Services:	0%
vii	Climate SDG score	Coverage of 23% (compared to universe)	1.0 (0.1)
viii	Climate Beta	Coverage of 99% (compared to universe)	-0.01 (0.01)
C	**Social:**	Details:	Indicator:
ii	Exposure to controversial weapons sector	Coverage of 97%	0%
iii	Exposure to tobacco sector	Coverage of 97%	6%
iv	Number of constituents subject to social violations	Total constituents (relative to benchmark)	4 (0%)
v	Exposure to companies without due diligence policies	No comprehensive policy or no data available	35%
vi	Gender pay gap	Coverage of 3%	13%
vii	Female to male board members	Coverage of 96%	48%
viii	Accidents, injuries, fatalities	Frequency rate relative to # employees (coverage of 9%):	0.00
ix	Violations of anti-corruption & anti-bribery laws	Convictions (coverage of 97%):	3
		Fines & settlements (coverage of 97%):	€ 2671.3 mln
D	**Governance:**	Details:	Indicator:
ii	Percentage of board members who are independent	Coverage of 97%	70%
iii	Percentage of female board members	Coverage of 96%	30%

Appendix IV: Data and standards used for ESG factors

This section provides a more detailed description of the ESG factors listed in Annex II of the applicable regulation. In addition, we described the data and standards used for the disclosure of the relevant ESG factors.

A	Description in Annex II of Regulation	Disclosure of data and standards used
i	Weighted average SDG score of the benchmark	The proprietary Robeco SDG Framework provides an objective, consistent, and replicable approach towards assessing positive and negative SDG contributions within an investment portfolio. Using a 3-step approach the framework investigates to what extent a company positively and/or negatively impacts each of the SDGs whereby impacts may range from highly negative (-3) to highly positive (+3) impact. See SDG Framework Methodology Document for more detailed information.
ii	Overall SDG score of top ten benchmark constituents by weighting in the benchmark	See disclosure of A.i
B	**Environmental disclosures:**	
i	Weighted average environmental rating of the benchmark	N/A – this voluntary indicator is not used within the methodology of this benchmark and therefore not available.
ii	Degree of exposure of the portfolio to the sectors listed in Sections A to H and Section L of Annex I to Regulation (EC) No 1893/2006 of the European Parliament and of the Council (1) as a percentage of the total weight in the portfolio	The exposure to relevant sectors or activities is our best estimate based on the main sectors of the companies' activities. Robeco Indices constructed a mapping from the company GICS code to NACE classification to estimate the exposures to the listed sectors and activities.
iii	Greenhouse gas (GHG) intensity of the benchmark.	GHG intensity of a company is measured by normalizing the greenhouse gas (GHG) emissions, Scope 1, 2 and 3 Upstream, by Enterprise Value Including Cash (EVIC). GHG emission data is sourced from Trucost Environmental Data. Absolute emissions, either reported or estimated, consider multiple greenhouse gases expressed in terms of tons of CO2; EVIC is computed in millions Euros and defined as the sum, at fiscal year-end, of the market capitalisation of ordinary shares, the book value of preferred shares, and the book value of total debt and non-controlling interests, without the deduction of cash or cash equivalents. For further information, please refer to the Trucost FAQ / Methodology Insights.
iv	Percentage of GHG emissions reported versus estimated.	States whether emissions are reported based on the data sourced from the Trucost Environmental Data.
v	Exposure of the benchmark portfolio to companies the activities of which fall under Divisions 05 to 09, 19 and 20 of Annex I to Regulation (EC) No 1893/2006.	See disclosure of B.ii
vi	Exposure of the benchmark portfolio to activities included in the environmental goods and services sector, as defined in Article 2, point (5) of Regulation (EU) No 691/2011 of the European Parliament and of the Council (2).	See disclosure of B.ii
vii	Weighted average Climate SDG score of the benchmark	The Climate SDG score is based on the Robeco SDG Framework. The scores combines the individual scores of a company on SDG 7 'Affordable and Clean Energy' and SDG 13 'Climate Action'. For more information on the SDG score and the Robeco SDG Framework in general, see disclosure of A.i.
viii	Weighted average Climate Beta of the benchmark	The Climate Beta is proprietary indicator for climate risk developed by Robeco Indices, which estimates the correlation of a company's stock returns with an observable proxy for the financial risk of climate change. Climate Beta indicates whether a company is positively or negatively exposed to climate risks and the global transition to a low carbon economy. Companies with a high Climate beta are affiliated with higher financial risk from this transition. The proxy for the financial risk of climate change is a factor portfolio that is constructed in a similar fashion as the Fama and French (2015) factors. The proxy is a long-short portfolio that goes long in transition laggards and shorts the transition leaders, based on the Climate SDG score.

C	Social disclosures:	
i	Weighted average social rating of the benchmark	N/A – this voluntary indicator is not used within the methodology of this benchmark and therefore not available.
ii.1	International treaties and conventions, United Nations principles or, where applicable, national law used in order to determine what constitutes a 'controversial weapon'.	Robeco deems anti-personnel mines, cluster munitions, chemical, biological weapons, depleted uranium weapons and nuclear weapons to be controversial weapons. Exclusion is applied to companies that are manufacturers of certain products that do not comply with the following treaties or legal bans on controversial weapons: - The Ottawa Treaty (1997) which prohibits the use, stockpiling, production and transfer of anti-personnel mines. - The Convention on Cluster Munitions (2008) which prohibits the use, stockpiling, production and transfer of cluster munitions. - The Chemical Weapons Convention (1997) which prohibits the use, stockpiling, production and transfer of chemical weapons. - Biological Weapons Convention (1975) which prohibits the use, stockpiling, production and transfer of biological weapons. - The Treaty on the Non-Proliferation of Nuclear Weapons (1968) which limits the spread of nuclear weapons to the group of so-called NuclearWeapons States (USA, Russia, UK, France and China). - The Dutch act on Financial Supervision 'Besluit marktmisbruik' art. 21 a. - The Belgian Loi Mahoux, the ban on uranium weapons.
ii.2	Weighted average percentage of benchmark constituents in the controversial weapons sector.	Data regarding exposures to the controversial weapons sector are based on data provided by Sustainalytics. The Controversial Weapons Research covers the following types of weapons: Anti-Personnel Mines (AP), Biological and Chemical Weapons (BC), Cluster Weapons (CM), Nuclear Weapons (NW), Depleted Uranium (DU) and White Phosphorus (WP). A company can be involved in different ways: directly or indirectly through a parent / subsidiary. Note that Sustainalytics consider any kind of Involvement level in any of the weapons listed in the definition to identify as controversial weapon activity. For further information, please refer to the Controversial Weapons Radar Methodology.
iii	Weighted average percentage of benchmark constituents in the tobacco sector.	Data regarding exposures to the tobacco sector are based on data provided by Sustainalytics. This indicator provides an assessment of whether companies derive revenues from tobacco products including cigarettes, cigars, tobacco, electronic cigarettes, paper used by end consumers for rolling cigarettes, filters, snuff tobacco, etc. The assessment looks at companies that manufacture tobacco products as well as retailers and distributors of these products. Companies are considered as part of the sector when there's evidence of involvement in (significant ownership) in production, related products and retail. A 5% restriction is imposed on retail as an involvement lower than 5% might comprise gas stations where the retail of tobacco products is not the primary business but rather a side activity.
iv	Number of benchmark constituents subject to social violations (absolute number and relative divided by all benchmark constituents), as referred to in international treaties and conventions, United Nations principles and, where applicable, national law.	Data regarding social violations are based on data provided by Sustainalytics. Sustainalytics assesses companies' level of involvement in controversial events that have an impact on the environment or society. Involvement in events may indicate that a company's management systems are not adequate to manage relevant ESG risks. Each event is categorized from Category 1 (low impact on environment and society, posing negligible risks to the company) to Category 5 (severe impact on the environment and society, posing serious risks to the company). Every material ESG issue has one or more events linked to it. For further information, please refer to the ESG Risk Rating Methodology Document.
v	Exposure of the benchmark portfolio to companies without due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8.	Data regarding relevant due diligence policies on issues addressed by ILO conventions are provided by Sustainalytics, denoting the lack of policies on 4 out of 8 of the relevant conventions: 1) freedom of association and collective bargaining, 2) elimination of discrimination and equal opportunity, 3) supply chain/contractors policies and the scope of social standards, 4) supply chain management system and how it is applied.
vi	Weighted average gender pay gap.	This metric as sourced from Sustainalytics assesses the difference between the average gross hourly earnings of female employees and the average gross hourly earnings of male employees, expressed as a percentage of the average gross hourly earnings of male employees.

vii	Weighted average ratio of female to male board members.	This metric as sourced from Sustainalytics reports the percentage of women on board, from which the ratio of female to male board members can be computed.
viii	Weighted average ratio of accidents, injuries, fatalities.	This metric as sourced from Sustainalytics assesses the rate of all recordable work-related injuries suffered by the company's employees and contractors and includes fatalities, lost time injuries, restricted work cases or medical treatment cases.
ix	Numbers of convictions and amount of fines for violations of anti-corruption and anti-bribery laws.	These metrics as sourced from Sustainalytics assess the total number of convictions for violations of anti-corruptions and anti-bribery laws and amount of fines for violations per company and across the company's family tree.
D	**Governance disclosures:**	
i	Weighted average governance rating of the benchmark.	N/A – this voluntary indicator is not used within the methodology of this benchmark and therefore not available.
ii	Weighted average percentage of board members who are independent.	See disclosure of B.vii
iii	Weighted average percentage of female board members.	See disclosure of B.vii