

Xtrackers USA Biodiversity Focus SRI UCITS ETF

Supplement to the Prospectus

This Supplement contains information in relation to Xtrackers USA Biodiversity Focus SRI UCITS ETF (the “**Fund**”), a sub-fund of Xtrackers (IE) plc (the “**Company**”) an umbrella type open-ended investment company with segregated liability between sub-funds and with variable capital governed by the laws of Ireland and authorised by the Central Bank of Ireland (the “**Central Bank**”).

This Supplement forms part of, may not be distributed unless accompanied by (other than to prior recipients of the prospectus of the Company dated 15 June 2023 (the “Prospectus”)), and must be read in conjunction with, the Prospectus.

Xtrackers (IE) plc

Dated 7 September 2023

IMPORTANT INFORMATION

The Fund is an ETF. The Shares of this Fund are fully transferable to investors and will be listed for trading on one or more stock exchanges.

TERMS OF THE SHARES REPRESENTING INTERESTS IN THE FUND

Investment Objective

The investment objective of the Fund is to track the performance before fees and expenses of an index which is designed to reflect the performance of companies in the USA that meet certain minimum standards with regard to biodiversity and environmental, social and governance criteria.

Investment Policy

In order to seek to achieve the investment objective, the Fund will adopt a Direct Investment Policy and will aim to replicate or track, before fees and expenses, the performance of the ISS STOXX® US Biodiversity Focus SRI Index (the “**Reference Index**”), by holding a portfolio of equity securities that comprises all, or a substantial number of, the securities comprised in the Reference Index (the “**Underlying Securities**”). Further information on the Reference Index is contained under "General Description of the Underlying Asset". The Investment Manager reserves the right to exclude from the portfolio of the Fund any securities from the Reference Index that do not comply with the Investment Manager’s policies or standards (examples of which are described in the Prospectus under the heading "*Direct Investment Funds following a passive approach*").

The Fund is managed according to a passive approach and is a Full Replication Fund (as described in the Prospectus under the heading "*Direct Investment Funds following a passive approach*"). Full disclosure on the composition of the Fund's portfolio will be available on a daily basis at www.Xtrackers.com.

There is no assurance that the investment objective of the Fund will actually be achieved.

The Underlying Securities are listed or traded on markets and exchanges which are set out at Appendix I of the Prospectus, with the Underlying Securities being bought by the Fund from any broker or counterparty who trades on the markets and exchanges listed at Appendix I of the Prospectus.

As further described in the 'Efficient Portfolio Management and Financial Derivative Instruments' section below and in the Prospectus, the Fund may also invest in securities which are not constituents of the Reference Index and/or financial derivative instruments (“**FDIs**”) related to a constituent or constituents of the Reference Index, for efficient portfolio management purposes, where such securities and/or FDIs would achieve a risk and return profile similar to that of the Reference Index, a constituent of the Reference Index or a sub-set of constituents of the Reference Index.

The Fund may invest in ancillary liquid assets which will include secured and/or unsecured deposits, and/or units or shares of other UCITS or other collective investment schemes which pursue a money market/cash strategy or which are related to the Reference Index or constituents of the Reference Index.

The investments and liquid assets that the Fund may hold on an ancillary basis will, together with any fees and expenses, be valued by the Administrator on each Valuation Day in order to determine the Net Asset Value of the Fund in accordance with the rules set out in the Prospectus.

The value of the Fund's Shares is linked to the Reference Index (and, for the Currency Hedged Share Classes, the relevant hedging arrangement, as described under “Share Class Currency Hedging Methodology”), the performance of which may rise or fall. Hence, investors should note that the value of their investment could fall as well as rise and they should accept that there is no guarantee that they will recover their initial investment. The return that the Shareholder may receive will be dependent on the performance of the Reference Index.

The Fund will have no Final Repurchase Date. However, the Directors may decide to terminate the Fund in accordance with the terms set out in the Prospectus and/or the Articles of Association.

Share Class Hedging

The “2C – EUR Hedged” and “3D – GBP Hedged” Share Classes (“**Currency Hedged Share Classes**”), as indicated under Description of the Shares below is subject to currency hedging.

The Fund will seek to hedge against the currency exposures of the Underlying Securities in the portfolio which differ from the currency of the Currency Hedged Share Classes in accordance with the “**Share Class Currency Hedging Methodology**” set out in the Prospectus.

Investors should note that the Currency Hedged Share Classes will not completely eliminate currency risk, or provide a precise hedge, and as such, investors may have exposures to currencies other than the currency of the Currency Hedged Share Classes.

Efficient Portfolio Management and Financial Derivative Instruments

The Fund may employ techniques and instruments relating to transferable securities under the conditions and within the limits laid down by the Central Bank from time to time and the conditions set out in the Prospectus and this Supplement for efficient portfolio management purposes.

The Fund may also invest in FDIs subject to the conditions and limits laid down by the Central Bank for efficient portfolio management purposes and as described in the Prospectus. For details of any FDIs the Fund may use, please refer to the section entitled “**Use of Derivatives by Direct Investment Funds**” set out in the Prospectus.

The Company employs a risk management process which enables it to accurately measure, monitor and manage at any time the risks attached to the Fund’s FDI positions and their contribution to the overall risk profile of the portfolio of assets of the Fund. The Company will, on request, provide supplementary information to Shareholders relating to the risk management methods employed, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments in respect of the relevant Fund.

Calculation of Global Exposure

The Fund will employ the commitment approach to assess the Fund’s global exposure and to ensure that the Fund’s use of derivative instruments is within the limits specified by the Central Bank. Global exposure will be calculated daily. While the Fund may be leveraged through the use of the FDIs, any such leverage will not be in excess of 100% of the Fund’s Net Asset Value.

Investment Restrictions

The general investment restrictions set out under “Investment Restrictions” in the Prospectus apply to the Fund.

Further, the Fund will not invest more than 10% of its assets in units or shares of other UCITS or other collective investment schemes in order to be eligible for investment by UCITS governed by the UCITS directive.

The Directors may from time to time impose such further investment restrictions as shall be compatible with or in the interests of Shareholders, in order to comply with the laws and regulations of the countries where Shareholders are located. Such investment restrictions will be included in an updated Supplement.

Borrowing

The Company may only borrow, for the account of the Fund, up to 10% of the Net Asset Value of the Fund provided that such borrowing is for temporary purposes only. The assets of the Fund may be charged as security for any such borrowings.

Specific Risk Warning

Investors should note that the Fund is not capital protected or guaranteed and that the capital invested is not protected or guaranteed and investors in this Fund should be prepared and able to sustain losses up to the total capital invested.

Concentration of the Reference Index

The Reference Index is concentrated in securities from a single country. As a result, any country-specific political or economic changes may have an adverse impact on the performance of the Reference Index and the portfolio of transferable securities and eligible assets held by the Fund.

Currency Hedging Risk

In order to mitigate against the risk of movements in the currency of a Currency Hedged Share Class against the currency of the portfolio constituents (where they are different to that of the relevant Currency Hedged Share Class currency), Share Class specific derivative transactions will be entered into for the purposes of acquiring currency hedges for each Currency Hedged Share Class. The return of the Share Class specific derivative transactions may not perfectly offset the actual fluctuations between the Currency Hedged Share Class currency and currency exposures of the securities that constitute the portion of the portfolio referable to the Currency Hedged Share Classes. No assurance can be given that such hedging activities will be entirely effective in achieving the purpose for which they have been entered into. While currency hedging reduces risks and losses in adverse market circumstances, it can also reduce and may completely offset gains in market circumstances that would otherwise have been beneficial had the position not been hedged. Consequently, the performance of a Currency Hedged Share Class may differ from that of the Underlying Asset as a result of the foreign exchange hedging transactions.

Environmental, Social and Governance Standards

The Reference Index's environmental, social and governance standards limit the number of securities eligible for inclusion in the Reference Index. As a result, the Reference Index, and as such the Fund, may be more heavily weighted in securities, industry sectors or countries that underperform the market as a whole or underperform other funds screened for environmental, social and governance ("ESG") standards, or which do not screen for such standards.

Investors should note that the determination that the Fund is subject to the disclosure requirements of a financial product under Article 8(1) of SFDR is made solely on the basis that the Reference Index promotes environmental and social characteristics. The Company is relying on the activities conducted by and information provided by the Index Administrator or other data providers (as further described under the heading "General Description of the Underlying Asset", where applicable) to make this determination.

Neither the Company, nor any of its service providers, makes any representation or otherwise as to the suitability of the Reference Index and the Fund in meeting an investor's criteria on minimum ESG standards or otherwise. Investors are advised to carry out their own review as to whether the Reference Index and the Fund accords with their own ESG criteria. Information on how the Reference Index is consistent with environmental, social and governance characteristics is contained under "General Description of the Underlying Asset".

Investors should note that whilst the Fund and the Reference Index seek to ensure compliance with the criteria outlined under "General Description of the Underlying Asset" at each rebalance or review

date, between these reviews or rebalances, securities which no longer meet these criteria may remain included in (i) the Reference Index until they are removed at the subsequent rebalance or review or, (ii) the portfolio of the Fund until it is possible and practicable to divest such positions.

Sustainability Data Risks

Investors should note that the Reference Index solely relies on analysis from the Index Administrator or other data providers (as applicable) in relation to sustainability considerations. Neither the Company, nor any of its service providers, makes any representation with respect to the accuracy, reliability, correctness of the sustainability related data or the way that these are implemented.

It should also be noted that analysis of companies' ESG performance may be based on models, estimates and assumptions. This analysis should not be taken as an indication or guarantee of current or future performance.

ESG information from third-party data providers may be incomplete, inaccurate or unavailable. As a result, there is a risk that the Index Administrator or other data providers (as applicable) may incorrectly assess a security or issuer, resulting in the incorrect inclusion or exclusion of a security in the Reference Index and therefore the portfolio of the Fund.

Investors will also bear some other risks as described under the section "Risk Factors" in the Prospectus.

Profile of a Typical Investor

Prospective investors in the Fund should ensure that they understand fully the nature of the Fund, as well as the extent of their exposure to risks associated with an investment in the Fund and should consider the suitability of an investment in the Fund.

Investment in the Fund may be appropriate for investors who have knowledge of, and investment experience in this type of financial product and understand and can evaluate the strategy and characteristics in order to make an informed investment decision. Further, they may have free and available cash for investment purposes and are looking to gain exposure to the securities making up the Reference Index. As the Net Asset Value per Share of the Fund will fluctuate and may fall in value, investment in the Fund should be viewed as suitable for investors who seek a return over the medium to long term. However, prospective investors should be prepared and able to sustain losses up to the total amount of capital invested.

The Prospectus sets out statements on taxation regarding the law and practice in force in the relevant jurisdiction at the date of the Prospectus. The statements are by way of a general guide to potential investors and Shareholders only and do not constitute legal or tax advice to Shareholders or potential investors. Shareholders and potential investors are therefore advised to consult their professional advisers concerning any investment in the Fund particularly as the tax position of an investor and the rates of tax may change over time.

Dividend Policy

Dividends may be declared and paid on the "3D – GBP Hedged" Shares up to four times per annum. The Fund does not intend to make dividend payments on the "1C" and "2C – EUR Hedged" Shares.

General Information Relating to the Fund

Base Currency	USD
Cut-off Time	Means 4:30 p.m. Dublin time on the relevant Transaction Day
Initial Offer Period	The Initial Offer Period in respect of the "1C", "2C – EUR Hedged" and "3D – GBP Hedged" Shares shall be from 9:00 a.m. on 8 September 2023 to 4:30 p.m. (Irish time) on 7 March 2024 or such earlier or later

date as the Directors may determine and notify in advance to the Central Bank.

Fund Classification (InvStG) Equity Fund, target minimum percentage of 80%.

Minimum Fund Size USD 50,000,000

Settlement Date Means up to nine Business Days following the Transaction Day¹

Securities Lending No

Transparency under SFDR The Fund promotes, among other characteristics, environmental and social characteristics and is subject to the disclosure requirements of a financial product under Article 8(1) of SFDR. Information on how the Reference Index is consistent with environmental, social and governance characteristics is contained under "General Description of the Reference Index". Please also refer to "Environmental, Social and Governance Standards" under "Specific Risk Warning" above, to the section entitled "Sustainability-related disclosures under SFDR and EU Taxonomy Regulation" set out in the Prospectus and the annex to this Supplement.

Significant Market Means a Direct Replication Significant Market.

Description of the Shares

Class	“1C”	“2C – EUR Hedged”	“3D – GBP Hedged”
ISIN Code	IE000LOSV2D0	IE0009AB73I9	IE000AYBK9E6
German Security	DBX0UN	DBX0UP	DBX0UQ
Currency	USD	EUR	GBP
Launch Date	To be determined by the Board of Directors. The Launch Date will be available from the Administrator and via the website: www.Xtrackers.com	To be determined by the Board of Directors. The Launch Date will be available from the Administrator and via the website: www.Xtrackers.com	To be determined by the Board of Directors. The Launch Date will be available from the Administrator and via the website: www.Xtrackers.com
Initial issue price	The Initial Issue Price will be calculated as corresponding to an appropriate fraction of the closing level of the Reference Index on the Launch Date. The Initial Issue Price is available from the Administrator	The Initial Issue Price will be calculated as corresponding to an appropriate fraction of the closing level of the Reference Index on the Launch Date. The Initial Issue Price is available from the Administrator	The Initial Issue Price will be calculated as corresponding to an appropriate fraction of the closing level of the Reference Index on the Launch Date. The Initial Issue Price is available from the Administrator
Minimum Initial Investment Amount	USD 50,000	EUR 50,000	GBP 50,000

¹ In the case that a Significant Market is closed for trading or settlement on any Business Day during the period between the relevant Transaction Day and the expected settlement date (inclusive), and/or settlement in the base currency of the Fund is not available on the expected settlement date, there may be corresponding delays to the settlement times indicated in this Supplement subject to the regulatory limit on settlement periods of 10 Business Days from the Cut-off Time. Earlier or later times may be determined by the Management Company at its discretion, whereby notice will be given on www.Xtrackers.com.

Minimum Additional Investment	USD 50,000	EUR 50,000	GBP 50,000
Minimum Redemption Amount	USD 50,000	EUR 50,000	GBP 50,000
Currency hedged Share class	No	Yes	Yes

Fees and Expenses

Class	“1C”	“2C – EUR Hedged”	“3D – GBP Hedged”
Management Company Fee	Up to 0.18% per annum	Up to 0.23% per annum	Up to 0.23% per annum
Platform Fee	Up to 0.12% per annum	Up to 0.12% per annum	Up to 0.12% per annum
All-in Fee	Up to 0.30% per annum	Up to 0.35% per annum	Up to 0.35% per annum
Primary Market Transaction Costs	Applicable	Applicable	Applicable
Transaction Costs	Applicable	Applicable	Applicable
Anticipated Level of Tracking Error²	Up to 1.00% per annum	Up to 1.00% per annum	Up to 1.00% per annum

This section headed "Fees and Expenses" should be read in conjunction with the section headed "Fees and Expenses" in the Prospectus.

² The anticipated tracking error displayed represents the tracking error of the unhedged Share Classes against the Fund's Reference Index (which is also unhedged).

GENERAL DESCRIPTION OF THE UNDERLYING ASSET

This section is a brief overview of the Reference Index. It contains a summary of the principal features of the Reference Index and is not a complete description of the Reference Index. In case of inconsistency between the summary of the Reference Index in this section and the complete description of the Reference Index, the complete description of the Reference Index prevails. Information on the Reference Index appears on the website identified below in "Further Information". Such information may change from time to time and details of the changes will appear on that website.

General Description of the Reference Index

The Reference Index is based on the STOXX US Index (the "**Parent Index**"), which is administered by STOXX Ltd. (the "**Index Administrator**"). The Parent Index includes companies from the USA. Constituents of the Parent Index meeting certain minimum standards with regard to biodiversity and ESG criteria are eligible for inclusion in the Reference Index.

ESG and Biodiversity Exclusions

Securities from the Parent Index which do not meet certain ESG or biodiversity related criteria are excluded, including, but not limited to, those that:

- are unrated by Institutional Shareholder Services Inc. ("**ISS ESG**");
- are assigned an ESG Rating of D+ or below by ISS ESG;
- are identified as 'Red' by ISS ESG in their Norms Based Screening. ISS ESG's Norms Based Screening assesses companies against their adherence to international norms on human rights, labour standards, environmental protection and anti-corruption established in the UN Global Compact and the OECD Guidelines;
- are identified by ISS ESG to have 'Severe' or 'Very Severe' controversies with regard to Environmental Protection;
- are identified by ISS ESG as having any involvement in controversial weapons;
- are identified by ISS ESG as breaching certain revenue thresholds in controversial activities, including, but not limited to: tobacco, civilian firearms, military equipment, nuclear power, thermal coal, unconventional oil and gas extraction, fossil fuels, adult entertainment, alcohol, and gambling; and
- are identified by ISS ESG as breaching certain revenue thresholds in activities with the potential to negatively contribute to biodiversity, including, but not limited to: palm oil, genetically modified organism (GMO) agriculture, hazardous pesticides, animal welfare, animal testing, and fur involvement.

Biodiversity Impact Assessment

Constituents from the Parent Index are assessed by ISS ESG's Biodiversity Impact Assessment Tool on their Potentially Disappeared Fraction ("**PDF**"), which aims to quantify the impact of companies on biodiversity by measuring the potential decline in species richness in an area over a specific period of time. Securities are ranked by PDF over enterprise value including cash ("**EVIC**"). The worst 20% of companies, as measured by PDF/EVIC, within each sector, as classified by the Industry Classification Benchmark ("**ICB**") approach, in the Parent Index are excluded from the Reference Index. Securities for which no data is available are also excluded from the Reference Index.

For more details on the ISS ESG Biodiversity Impact Assessment Tool, please refer to: <https://www.issgovernance.com/esg/biodiversity-impact-assessment-tool/>.

SDG Impact Assessment

Potential constituents are assessed by ISS ESG's SDG Impact Rating on their impact on biodiversity-related UN Sustainable Development Goals ("**SDG**") objectives. The SDG Impact Rating measures the

extent to which companies are managing negative externalities in their operations across the entire value chain to minimise negative impacts, while at the same time making use of existing and emerging opportunities in their products and services to contribute to the achievement of the SDGs. ISS ESG calculates an aggregated SDG Impact Rating score, based on certain biodiversity-related UN SDGs, including:

- SDG 6 – Clean water and sanitation;
- SDG 7 – Affordable and clean energy;
- SDG 11 – Sustainable cities and communities;
- SDG 12 – Responsible consumption and production;
- SDG 13 – Climate action;
- SDG 14 – Life below water; and
- SDG 15 – Life on land.

The worst 20% of companies within each ICB sector in the Parent Index as measured by the aggregated SDG Impact Rating score are excluded from the Reference Index. Securities for which no data is available are also excluded from the Reference Index.

Greenhouse Gas Intensity Reduction

The Reference Index also includes a carbon emission reduction rule, whereby if having applied the above exclusion and assessment criteria, the Greenhouse Gas (“GHG”) intensity of the Reference Index has been insufficiently reduced compared to the Parent Index, constituents are excluded by descending order of GHG intensity until a relevant reduction threshold is achieved.

The Reference Index utilises ESG data provided by ISS ESG. ISS ESG provides expertise across a variety of sustainable and responsible investment issues, including climate change, sustainable development goal linked impacts, biodiversity impact assessments, human rights, labour standards, corruption, and controversial weapons. More information on ISS ESG is available on <https://www.issgovernance.com/esg/>. In particular, the following five components are utilised:

ISS ESG Corporate Rating

ISS ESG provides research, data, analysis, and ratings of how well companies manage environmental, social and governance risks and opportunities. ISS ESG provides an overall company ESG rating.

ISS ESG Norms Based Screening

ISS ESG’s Norms Based Screening assesses companies against their adherence to international norms on human rights, labour standards, environmental protection and anti-corruption established in the UN Global Compact and the OECD Guidelines.

ISS ESG Biodiversity Impact Assessment Tool

The ISS ESG Biodiversity Impact Assessment Tool assesses and quantifies the potential impact of companies on biodiversity.

ISS ESG SDG Impact Rating

The ISS ESG SDG Impact Rating determines a company’s positive or negative impact on the United Nations’ Sustainable Development Goals across three key pillars: Products & Services, Operations Management and Controversies.

ISS ESG Climate Solutions

ISS ESG Climate Solutions provide carbon and climate data, such as analyses of Scope 1, 2 and 3 emissions.

Selection and Weighting

In addition to the above exclusions and assessments, securities must also meet certain liquidity criteria to be eligible for inclusion in the Reference Index.

The securities remaining following the exclusion criteria above are weighted by their free float-adjusted market capitalisation.

Securities in the Reference Index are subject to capping of up to 8%, with individual weight deviations and ICB industry weight deviation limits applied.

The Reference Index is reviewed and rebalanced on a quarterly basis and may also be rebalanced at other times in order to reflect corporate activity such as mergers and acquisitions or changes in certain ESG metrics.

The Reference Index is a total return net index. A total return net index calculates the performance of the index constituents on the basis that any dividends or distributions are reinvested net of applicable withholding tax.

The Reference Index is calculated in US Dollars on a daily basis.

Further Information

Additional information on the Reference Index, its composition, calculation and rules for periodical review and re-balancing and on the general methodology can be found on www.stoxx.com.

IMPORTANT

STOXX Ltd., Qontigo Index GmbH and their licensors (the "Licensors"), research partners or data providers have no relationship to the Company, other than the licensing of the ISS STOXX® US Biodiversity Focus SRI Index (hereinafter, "**Index**") and the related trademarks for use in connection with Xtrackers US Biodiversity Focus SRI UCITS ETF (hereinafter the "**Product**"). STOXX Ltd., Qontigo and their Licensors, research partners or data providers do not:

- Sponsor, endorse, sell or promote the Product or recommend that any person invest in the Product or any other securities.
- Have any responsibility or liability for or make any decisions about the timing, amount or pricing of the Product.
- Have any responsibility or liability for the administration, management or marketing of the Product.
- Consider the needs of the Product or the owners of the Product in determining, composing or calculating the Index or have any obligation to do so.

STOXX Ltd. and Qontigo Index GmbH respectively as the licensor and their Licensors, research partners or data providers give no warranty, and exclude any liability (whether in negligence or otherwise), in connection with the Product of their performance. Specifically, STOXX Ltd., Qontigo Index GmbH and their Licensors, research partners or data providers do not give any warranty, express or implied, and exclude any liability about:

- The results to be obtained by the Product, the owner of the Product or any other person in connection with the use of the Index and the data included in the Index;
- The accuracy, timeliness, and completeness of the Index and its data;
- The merchantability and the fitness for a particular purpose or use of the Index and its data;
- The performance of the Product generally;
- STOXX Ltd., Qontigo Index GmbH and their Licensors, research partners or data providers give no warranty and exclude any liability, for any errors, omissions or interruptions in the Index or its data;
- Under no circumstances will STOXX Ltd., Qontigo Index GmbH or their Licensors, research partners or data providers be liable (whether in negligence or otherwise) for any lost profits or indirect, punitive, special or consequential damages or losses, arising as a result of such errors, omissions or interruptions in the relevant index or its data or generally in relation to the Product even in circumstances where STOXX Ltd., Qontigo Index GmbH or their Licensors, research partners or data providers are aware that such loss or damage may occur.

STOXX Ltd. and Qontigo Index GmbH do not assume any contractual relationship with the purchasers of the Product or any other third parties. The licensing agreement between DWS Investments UK Limited and STOXX and the sub-licensing agreement between the Company and the respective Licensors is solely for their benefit and not for the benefit of the owners of the Product or any other third parties.

ANNEX

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name: Xtrackers USA Biodiversity Focus SRI UCITS ETF
Legal entity identifier: 254900Q1GMM5X0HLK512

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

Yes **No**

<p><input type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: ____%</p> <ul style="list-style-type: none"> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <p><input type="checkbox"/> It will make a minimum of sustainable investments with a social objective: ____%</p>	<p><input checked="" type="checkbox"/> It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 10% of sustainable investments</p> <ul style="list-style-type: none"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input checked="" type="checkbox"/> with a social objective <p><input type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments</p>
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What environmental and/or social characteristics are promoted by this financial product?

The financial product promotes environmental and social characteristics and qualifies as a financial product subject to Article 8(1) SFDR by tracking the Reference Index (as defined below) which includes environmental and/or social considerations. The financial product specifically promotes, amongst others, the environmental characteristics of: a reduction in negative impact on biodiversity, a reduction in greenhouse gas intensity and a reduction in fossil fuel production; and the social characteristics of: a reduction in human and labour rights controversy occurrences and a reduction in controversial weapon production.

In order to promote these characteristics, the financial product holds a portfolio of equity securities that comprises all, or a substantial number of, the securities comprised in the Reference Index. The Reference Index is designed to reflect the performance of the shares of companies in the USA that meet certain minimum standards with regard to biodiversity and environmental, social and governance (“ESG”) criteria.

The Reference Index is based on the Parent Index (as defined below). The Parent Index includes companies in the USA. Constituents of the Parent Index meeting certain minimum standards with regard to biodiversity and environmental, social and governance (“ESG”) criteria are eligible for inclusion in the Reference Index.

ESG and Biodiversity Exclusions

Securities from the Parent Index which do not meet certain ESG or biodiversity related criteria are excluded, including, but not limited to, those that:

- Are unrated by Institutional Shareholder Services Inc. (“ISS ESG”);
- Are assigned an ESG Rating of D+ or below by ISS ESG;
- Are identified as ‘Red’ by ISS ESG in their Norms Based Screening. ISS ESG’s Norms Based Screening assesses companies against their adherence to international norms on human rights, labour standards, environmental protection and anti-corruption established in the UN Global Compact and the OECD Guidelines;
- Are identified by ISS ESG to have ‘Severe’ or ‘Very Severe’ controversies with regard to Environmental Protection;
- Are identified by ISS ESG as having any involvement in controversial weapons;
- Are identified by ISS ESG as breaching certain revenue thresholds in controversial activities, including, but not limited to: tobacco, civilian firearms, military equipment, nuclear power, thermal coal, unconventional oil and gas extraction, fossil fuels, adult entertainment, alcohol, and gambling;
- Are identified by ISS ESG as breaching certain revenue thresholds in activities with the potential to negatively contribute to biodiversity, including, but not limited to: palm oil, genetically modified organism (GMO) agriculture, hazardous pesticides, animal welfare, animal testing, and fur involvement.

Biodiversity Impact Assessment

Constituents from the Parent Index are assessed by ISS ESG’s Biodiversity Impact Assessment Tool on their Potentially Disappeared Fraction (“PDF”), which aims to quantify the impact of companies on biodiversity by measuring the potential decline in species richness in an area over a specific period of time. Securities are ranked by PDF over enterprise value including cash (“EVIC”). The worst 20% of companies, as measured by PDF/EVIC, within each sector, as classified by the Industry Classification Benchmark (“ICB”) approach, in the Parent Index are excluded from the Reference Index. Securities for which no data is available are also excluded from the Reference Index.

For more details on the ISS ESG Biodiversity Impact Assessment Tool, please refer to: <https://www.issgovernance.com/esg/biodiversity-impact-assessment-tool/>.

SDG Impact Assessment

Potential constituents are assessed by ISS ESG's SDG Impact Rating on their impact on biodiversity-related UN Sustainable Development Goals ("SDG") objectives. The SDG Impact Rating measures the extent to which companies are managing negative externalities in their operations across the entire value chain to minimise negative impacts, while at the same time making use of existing and emerging opportunities in their products and services to contribute to the achievement of the SDGs. ISS ESG calculates an aggregated SDG Impact Rating score, based on certain biodiversity-related UN SDGs, including:

- SDG 6 – Clean water and sanitation;
- SDG 7 – Affordable and clean energy;
- SDG 11 – Sustainable cities and communities;
- SDG 12 – Responsible consumption and production;
- SDG 13 – Climate action;
- SDG 14 – Life below water; and
- SDG 15 – Life on land.

The worst 20% of companies within each ICB sector in the Parent Index as measured by the aggregated SDG Impact Rating score are excluded from the Reference Index. Securities for which no data is available are also excluded from the Reference Index.

Greenhouse Gas Intensity Reduction

The Reference Index also includes a carbon emission reduction rule, whereby if having applied the above exclusion and assessment criteria, the Greenhouse Gas ("GHG") intensity of the Reference Index has been insufficiently reduced compared to the Parent Index, constituents are excluded by descending order of GHG intensity until a relevant reduction threshold is achieved.

The Reference Index utilises ESG data provided by Institutional Shareholder Services Inc. ("ISS ESG"). ISS ESG provides expertise across a variety of sustainable and responsible investment issues, including climate change, sustainable development goal linked impacts, biodiversity impact assessments, human rights, labour standards, corruption, and controversial weapons. More information on ISS ESG is available on <https://www.issgovernance.com/esg/>. In particular, the following five components are utilised:

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ISS ESG provides research, data, analysis, and ratings of how well companies manage environmental, social and governance risks and opportunities. ISS ESG provides an overall company ESG rating.

ISS ESG Norms Based Screening

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ISS ESG SDG Impact Rating

The ISS ESG SDG Impact Rating determines a company's positive or negative impact on the United Nations' Sustainable Development Goals across three key pillars: Products & Services, Operations Management and Controversies.

ISS ESG Climate Solutions

ISS ESG Climate Solutions provide carbon and climate data, such as analyses of Scope 1, 2 and 3 emissions.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**
 - **Exposure to Very Severe Controversies:** The percentage of the financial product's portfolio's market value exposed to companies facing one or more Very Severe controversies related to the environment, customers, human rights, labour rights and governance, including violation of the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, as determined by either MSCI or ISS ESG. Details on the provider used are available upon request.
 - **Exposure to Worst-in-Class issuers:** The percentage of the financial product's portfolio's market value exposed to companies with a rating of or equivalent to "CCC", as determined by either MSCI or ISS ESG. Details on the provider used are available upon request.
 - **Controversial Weapons Involvement:** The percentage of the financial product's portfolio's market value exposed to companies with ties to cluster munitions, landmines, biological / chemical weapons, depleted uranium weapons, blinding laser weapons, incendiary weapons, and/or non-detectable fragments as determined by either MSCI or ISS ESG. Details on the provider used are available upon request.
 - **Exposure to Fossil Fuels:** The percentage of the financial product's portfolio's market value exposed to companies flagged for involvement in fossil fuels as determined by either MSCI or ISS ESG, and includes companies deriving revenue from thermal coal extraction, unconventional and conventional oil and gas extraction, oil refining, as well as revenue from thermal coal based power generation, liquid fuel based power generation, or natural gas based power generation. Details on the provider used are available upon request.
 - **Exposure to Biodiversity-related Controversies:** The percentage of the financial product's portfolio's market value exposed to companies facing one or more severe or very severe environmental controversies related to biodiversity, as determined by either MSCI or ISS ESG. Details on the provider used are available upon request.
 - **SDG Impact Rating:** The financial product's portfolio's median score of each company's overall impact on the SDGs, based on the sum of the companies'

highest positive and lowest negative SDG impact rating on a scale of -10 (significant negative impact) to 10 (significant positive impact), as measured by either MSCI or ISS ESG. Details on the provider used are available upon request.

- **Greenhouse Gas Intensity:** The financial product's portfolio's weighted average of its holding issuers' GHG Intensity (Scope 1, Scope 2 and estimated Scope 3 GHG emissions/EUR million revenue) as determined by either MSCI or ISS ESG. Details on the provider used are available upon request.
- ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

While the financial product does not have sustainable investment as its objective, it will invest a minimum proportion of its assets in sustainable investments as defined by Article 2 (17) SFDR.

At least 10% of the financial product's net assets will be invested in sustainable economic activities that contribute to an environmental and/or social objective, in accordance with Article 2 (17) SFDR. Sustainable economic activities refer to the proportion of an issuer's economic activities that contribute to an environmental objective and/or a social objective, provided that such investments do not significantly harm any of those objectives and that the investee companies follow good governance practices. The sustainability investment assessment uses data from one or multiple data providers and/or public sources to determine if an activity is sustainable. The environmental and/or social objectives are identified by activities that contribute positively to the United Nations Sustainable Development Goals ("UN SDGs"), which may include, but is not limited to, (i) Goal 1: No poverty, (ii) Goal 2: Zero hunger, (iii) Goal 3: Good health and well-being, (iv) Goal 4: Quality education, (v) Goal 5: Gender equality, (vi) Goal 6: Clean water and Sanitation, (vii) Goal 7: Affordable and clean energy, (viii) Goal 10: Reduced inequality, (ix) Goal 11: Sustainable cities and communities, (x) Goal 12: Responsible consumption, (xi) Goal 13: Climate action, (xii) Goal 14: Life below water, and (xiii) Goal 15: Life on land, are measured in terms of revenues, capital expenditure (CapEx) and/or operational expenditure (OpEx). The extent of contribution to individual UN SDGs will vary based on the actual investments in the portfolio.

- ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

In accordance with Article 2 (17) SFDR, any such sustainable investments must not significantly harm any environmental or social objectives and such sustainable investment issuers must follow good governance practices. Any investment that fails to meet the do no significant harm ("DNSH") thresholds will not be considered towards the sustainable investment share of the financial product. Such DNSH thresholds will include, but not be limited to:

- Involvement in harmful business activities;
- Violation of international norms or involvement in very severe controversies; and
- Violation of certain principal adverse indicator thresholds.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

— — — *How have the indicators for adverse impacts on sustainability factors been taken into account?*

As part of the DNSH assessment under article 2(17) SFDR, the sustainable investment assessment integrates certain metrics related to principle adverse indicators and the Reference Index of the financial product includes criteria to reduce exposure to or to exclude securities which are negatively aligned with the following principal adverse indicators:

- Carbon footprint (no. 2);
- GHG intensity of investee companies (no. 3);
- Exposure to companies active in the fossil fuel sector (no. 4);
- Activities negatively affecting biodiversity-sensitive areas (no. 7);
- Violation of UN Global Compact principles and OECD Guidelines for multinational enterprises (no. 10); and
- Exposure to controversial weapons (no.14).

— — — *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

Any securities violating the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights are excluded by the financial product's Reference Index.

The EU Taxonomy sets out a “do no significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



Does this financial product consider principal adverse impacts on sustainability factors?

✘ Yes, the financial product considers the following principle adverse impacts on sustainability factors from Annex I of the draft Commission Delegated Regulation supplementing the SFDR (C(2022) 1931 final):

- Carbon footprint (no. 2);
- GHG intensity of investee companies (no. 3);
- Exposure to companies active in the fossil fuel sector (no. 4);
- Activities negatively affecting biodiversity-sensitive areas (no. 7)

- Violation of UN Global Compact principles and OECD Guidelines for multinational enterprises (no. 10); and
- Exposure to controversial weapons (no.14).

No



What investment strategy does this financial product follow?

The investment objective of the Fund is to track the performance before fees and expenses of the “Reference Index”, which is the ISS STOXX® US Biodiversity Focus SRI Index, which is designed to reflect the performance of the shares of companies in the USA that meet certain minimum standards with regard to biodiversity and environmental, social and governance (“ESG”) criteria. The Reference Index is based on the STOXX US Index (the “Parent Index”). The Parent Index includes companies from the USA. Constituents of the Parent Index meeting certain minimum standards with regard to biodiversity and environmental, social and governance (“ESG”) criteria are eligible for inclusion in the Reference Index.

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The investment objective of the financial product is to track the performance before fees and expenses of the Reference Index. The Reference Index is designed to reflect the performance of the shares of companies in the USA that meet certain minimum standards with regard to biodiversity and environmental, social and governance (“ESG”) criteria.

ESG and Biodiversity Exclusions

Securities from the Parent Index which do not meet certain ESG or biodiversity related criteria are excluded, including, but not limited to, those that:

- Are unrated by Institutional Shareholder Services Inc. (“ISS ESG”);
- Are assigned an ESG Rating of D+ or below by ISS ESG;
- Are identified as ‘Red’ by ISS ESG in their Norms Based Screening. ISS ESG’s Norms Based Screening assesses companies against their adherence to international norms on human rights, labour standards, environmental protection and anti-corruption established in the UN Global Compact and the OECD Guidelines;
- Are identified by ISS ESG to have ‘Severe’ or ‘Very Severe’ controversies with regard to Environmental Protection;
- Are identified by ISS ESG as having any involvement in controversial weapons;
- Are identified by ISS ESG as breaching certain revenue thresholds in controversial activities, including, but not limited to: tobacco, civilian firearms, military equipment, nuclear power, thermal coal, unconventional oil and gas extraction, fossil fuels, adult entertainment, alcohol, and gambling;
- Are identified by ISS ESG as breaching certain revenue thresholds in activities with the potential to negatively contribute to biodiversity, including, but not limited to: palm oil, genetically modified organism (GMO) agriculture, hazardous pesticides, animal welfare, animal testing, and fur involvement.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

Biodiversity Impact Assessment

Constituents from the Parent Index are assessed by ISS ESG's Biodiversity Impact Assessment Tool on their Potentially Disappeared Fraction ("PDF"), which aims to quantify the impact of companies on biodiversity by measuring the potential decline in species richness in an area over a specific period of time. Securities are ranked by PDF over enterprise value including cash ("EVIC"). The worst 20% of companies, as measured by PDF/EVIC, within each sector, as classified by the Industry Classification Benchmark ("ICB") approach, in the Parent Index are excluded from the Reference Index. Securities for which no data is available are also excluded from the Reference Index.

For more details on the ISS ESG Biodiversity Impact Assessment Tool, please refer to: <https://www.issgovernance.com/esg/biodiversity-impact-assessment-tool/>.

SDG Impact Assessment

Potential constituents are assessed by ISS ESG's SDG Impact Rating on their impact on biodiversity-related UN Sustainable Development Goals ("SDG") objectives. The SDG Impact Rating measures the extent to which companies are managing negative externalities in their operations across the entire value chain to minimise negative impacts, while at the same time making use of existing and emerging opportunities in their products and services to contribute to the achievement of the SDGs. ISS ESG calculates an aggregated SDG Impact Rating score, based on certain biodiversity-related UN SDGs, including:

- SDG 6 – Clean water and sanitation;
- SDG 7 – Affordable and clean energy;
- SDG 11 – Sustainable cities and communities;
- SDG 12 – Responsible consumption and production;
- SDG 13 – Climate action;
- SDG 14 – Life below water; and
- SDG 15 – Life on land.

The worst 20% of companies within each ICB sector in the Parent Index as measured by the aggregated SDG Impact Rating score are excluded from the Reference Index. Securities for which no data is available are also excluded from the Reference Index.

Greenhouse Gas Intensity Reduction

The Reference Index also includes a carbon emission reduction rule, whereby if having applied the above exclusion and assessment criteria, the Greenhouse Gas ("GHG") intensity of the Reference Index has been insufficiently reduced compared to the Parent Index, constituents are excluded by descending order of GHG intensity until a relevant reduction threshold is achieved.

The Reference Index utilises ESG data provided by Institutional Shareholder Services Inc. ("ISS ESG"). ISS ESG provides expertise across a variety of sustainable and responsible investment issues, including climate change, sustainable development goal linked impacts, biodiversity impact assessments, human rights, labour standards, corruption, and controversial weapons. More information on ISS ESG is available on <https://www.issgovernance.com/esg/>. In particular, the following five components are utilised:

ISS ESG Corporate Rating

ISS ESG provides research, data, analysis, and ratings of how well companies manage environmental, social and governance risks and opportunities. ISS ESG provides an overall company ESG rating.

ISS ESG Norms Based Screening

ISS ESG's Norms Based Screening assesses companies against their adherence to international norms on human rights, labour standards, environmental protection and anti-corruption established in the UN Global Compact and the OECD Guidelines.

ISS ESG Biodiversity Impact Assessment Tool

The ISS ESG Biodiversity Impact Assessment Tool assesses and quantifies the potential impact of companies on biodiversity.

ISS ESG SDG Impact Rating

The ISS ESG SDG Impact Rating determines a company's positive or negative impact on the United Nations' Sustainable Development Goals across three key pillars: Products & Services, Operations Management and Controversies.

ISS ESG Climate Solutions

ISS ESG Climate Solutions provide carbon and climate data, such as analyses of Scope 1, 2 and 3 emissions.

Investors should note that whilst the financial product and the Reference Index seek to ensure compliance with such criteria at each rebalance or review date, between these reviews or rebalances, securities which no longer meet these criteria may remain included in (i) the Reference Index until they are removed at the subsequent rebalance or review or, (ii) the portfolio of the financial product until it is possible and practicable to divest such positions.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

The financial product does not pursue a committed minimum rate to reduce the scope of investments considered prior to the application of the investment strategy.

- ***What is the policy to assess good governance practices of the investee companies?***

The investment objective of the financial product is to track the performance before fees and expenses of the Reference Index which excludes companies which breach certain international norm standards (including governance controversies) using ISS ESG data, and companies that have an ISS ESG Rating (which assesses, amongst other things, how well companies manage governance risks and opportunities) below a certain threshold or have missing ESG data.

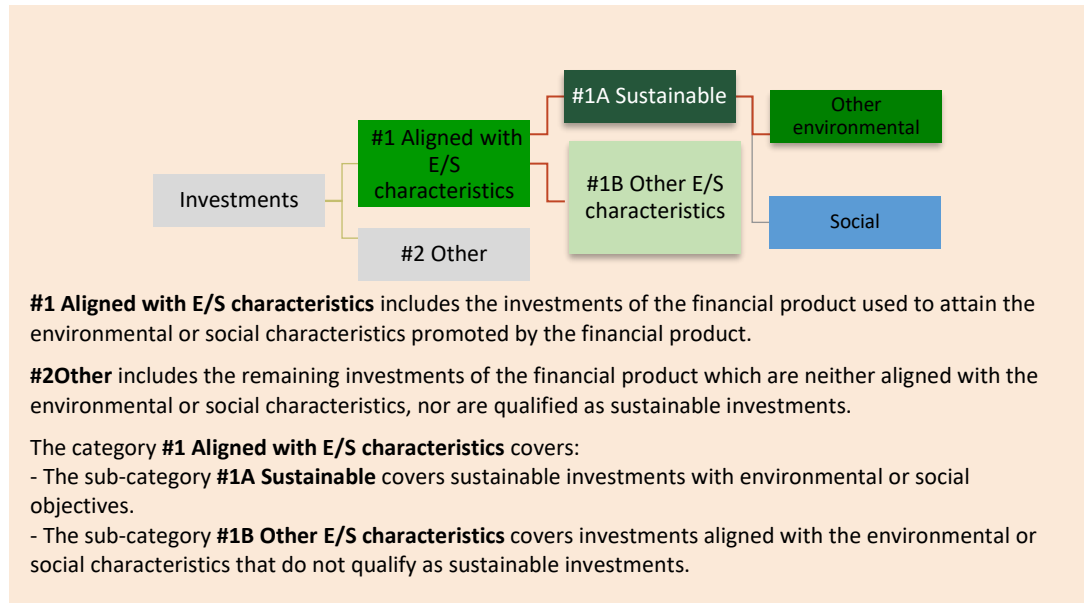
Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.



What is the asset allocation planned for this financial product?

This financial product invests at least 90% of its net assets in investments that are aligned with the promoted environmental and social characteristics (#1 Aligned with E/S characteristics). Within this category, at least 10% of the financial product's assets qualify as sustainable investments (#1A Sustainable).

Up to 10% of the investments are not aligned with these characteristics (#2 Other).



● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

Financial derivative instruments (“FDIs”) may be used for efficient portfolio management purposes. It is not intended to use FDIs for the attainment of the financial product's objective but rather as ancillary investments to, for example, invest cash balances pending rebalance or investment in constituents of the Reference Index. Any exposures obtained through the use of FDIs for these ancillary purposes will be aligned with the investment objective of the financial product and would conform to ESG standards substantially similar to those of the Reference Index, or would fall within the quoted percentage of the investments that are not aligned with the promoted environmental and social characteristics (#2 Other).

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

While the financial product promotes environmental characteristics, it is not intended that its underlying investments take into account the EU Taxonomy Regulation criteria for the environmentally sustainable economic activities of climate change mitigation and/or climate change adaptation (the only two of the six environmental objectives under the EU Taxonomy Regulation for which technical screening criteria have been defined through delegated acts). As a result, the financial product does not intend to make investments within the scope of the EU Taxonomy Regulation.

● Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy³?



Yes:



In fossil gas

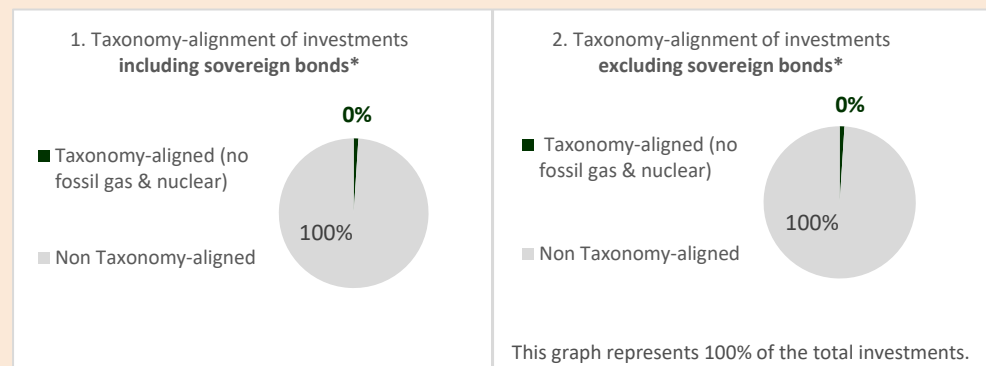


In nuclear energy



No. However, there is a lack of reliable data in relation to fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy. On this basis, although it is considered that no relevant investments are made, it is possible the financial product may make some investments in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

³ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules. **Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective. **Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

● **What is the minimum share of investments in transitional and enabling activities?**

The financial product does not have a minimum share of investments in transitional and enabling activities, as it does not commit to a minimum proportion of environmentally sustainable investments aligned with the EU Taxonomy.



What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The financial product does not intend to make a minimum allocation to sustainable economic activities that contribute to an environmental objective. However, the share of environmentally and socially sustainable investments will in total be at least 10%.



What is the minimum share of socially sustainable investments?

The financial product does not intend to make a minimum allocation to sustainable economic activities that contribute to a social objective. However, the share of environmentally and socially sustainable investments will in total be at least 10%.



What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

The financial product predominantly promotes asset allocation in investments that are aligned with environmental and social characteristics (#1 Aligned with E/S characteristics).

Those investments included under “#2 Other”, may include ancillary liquid assets for the purpose of efficient portfolio management, which may include, secured and/or unsecured deposits and/or units or shares of other UCITS or other collective investment schemes which pursue a money market or cash strategy, or financial derivative instruments. It may also include securities which have been recently downgraded by the relevant ESG data provider but will not be removed from the Reference Index until the next Reference Index rebalance and may therefore not be removed from the portfolio until that time.



Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

Yes. The financial product has designated the ISS STOXX® US Biodiversity Focus SRI Index as the reference benchmark.

● **How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

The Reference Index promotes environmental and social characteristics by excluding companies from the Parent Index which do not fulfil the specific biodiversity-related and ESG criteria outlined above, as of each Reference Index rebalance.

● **How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

In order to seek to achieve the investment objective, the financial product will adopt a “Direct Investment Policy” which means that the financial product will aim to replicate or track, before fees and expenses, the performance of the Reference Index by holding a portfolio of equity securities that comprises all, or a substantial number of, the securities comprised in the Reference Index.

● ***How does the designated index differ from a relevant broad market index?***

The investment objective of the financial product is to track the performance before fees and expenses of the Reference Index. The Reference Index is designed to reflect the performance of the shares of companies in the USA that meet certain minimum standards with regard to biodiversity and environmental, social and governance (“ESG”) criteria.

ESG and Biodiversity Exclusions

Securities from the Parent Index which do not meet certain ESG or biodiversity related criteria are excluded, including, but not limited to, those that:

- Are unrated by Institutional Shareholder Services Inc. (“ISS ESG”);
- Are assigned an ESG Rating of D+ or below by ISS ESG;
- Are identified as ‘Red’ by ISS ESG in their Norms Based Screening. ISS ESG’s Norms Based Screening assesses companies against their adherence to international norms on human rights, labour standards, environmental protection and anti-corruption established in the UN Global Compact and the OECD Guidelines;
- Are identified by ISS ESG to have ‘Severe’ or ‘Very Severe’ controversies with regard to Environmental Protection;
- Are identified by ISS ESG as having any involvement in controversial weapons;
- Are identified by ISS ESG as breaching certain revenue thresholds in controversial activities, including, but not limited to: tobacco, civilian firearms, military equipment, nuclear power, thermal coal, unconventional oil and gas extraction, fossil fuels, adult entertainment, alcohol, and gambling;
- Are identified by ISS ESG as breaching certain revenue thresholds in activities with the potential to negatively contribute to biodiversity, including, but not limited to: palm oil, genetically modified organism (GMO) agriculture, hazardous pesticides, animal welfare, animal testing, and fur involvement.

Biodiversity Impact Assessment

Constituents from the Parent Index are assessed by ISS ESG’s Biodiversity Impact Assessment Tool on their Potentially Disappeared Fraction (“PDF”), which aims to quantify the impact of companies on biodiversity by measuring the potential decline in species richness in an area over a specific period of time. Securities are ranked by PDF over enterprise value including cash (“EVIC”). The worst 20% of companies, as measured by PDF/EVIC, within each sector, as classified by the Industry Classification Benchmark (“ICB”) approach, in the Parent Index are excluded from the Reference Index. Securities for which no data is available are also excluded from the Reference Index.

For more details on the ISS ESG Biodiversity Impact Assessment Tool, please refer to: <https://www.issgovernance.com/esg/biodiversity-impact-assessment-tool/>.

SDG Impact Assessment

Potential constituents are assessed by ISS ESG's SDG Impact Rating on their impact on biodiversity-related UN Sustainable Development Goals ("SDG") objectives. The SDG Impact Rating measures the extent to which companies are managing negative externalities in their operations across the entire value chain to minimise negative impacts, while at the same time making use of existing and emerging opportunities in their products and services to contribute to the achievement of the SDGs. ISS ESG calculates an aggregated SDG Impact Rating score, based on certain biodiversity-related UN SDGs, including:

- SDG 6 – Clean water and sanitation;
- SDG 7 – Affordable and clean energy;
- SDG 11 – Sustainable cities and communities;
- SDG 12 – Responsible consumption and production;
- SDG 13 – Climate action;
- SDG 14 – Life below water; and
- SDG 15 – Life on land.

The worst 20% of companies within each ICB sector in the Parent Index as measured by the aggregated SDG Impact Rating score are excluded from the Reference Index. Securities for which no data is available are also excluded from the Reference Index.

Greenhouse Gas Intensity Reduction

The Reference Index also includes a carbon emission reduction rule, whereby if having applied the above exclusion and assessment criteria, the Greenhouse Gas ("GHG") intensity of the Reference Index has been insufficiently reduced compared to the Parent Index, constituents are excluded by descending order of GHG intensity until a relevant reduction threshold is achieved.

The Reference Index utilises ESG data provided by Institutional Shareholder Services Inc. ("ISS ESG"). ISS ESG provides expertise across a variety of sustainable and responsible investment issues, including climate change, sustainable development goal linked impacts, biodiversity impact assessments, human rights, labour standards, corruption, and controversial weapons. More information on ISS ESG is available on <https://www.issgovernance.com/esg/>. In particular, the following five components are utilised:

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ISS ESG Climate Solutions

ISS ESG Climate Solutions provide carbon and climate data, such as analyses of Scope 1, 2 and 3 emissions.

● ***Where can the methodology used for the calculation of the designated index be found?***

Additional information on the Reference Index, its composition, calculation and rules for periodical review and re-balancing and on the general methodology can be found on www.stoxx.com.



Where can I find more product specific information online?

More product-specific information can be found on the website: www.xtrackers.com as well as on your local country website.