



ECPI GLOBAL DEVELOPED ESG CORPORATE EX FINANCIALS BOND INDEX

RULE BOOK

June 2023
Version 3.0.1

ECPI Srl is a member of Confluence

MARKET REALTY

The ECPI Global Developed ESG Corporate Ex Financials Bond Index selects non-financials bonds which are members of the ECPI Global Developed ESG Corporate Bond Index (ECAPGCB).

INDEX FAMILY IDENTIFIERS

BLOOMBERG TICKER	REFINITIV RIC	INDEX NAME
ECAPGCXF Index	---	ECPI Global Developed ESG Corporate Ex Financials Bond Index
ECAPGXFH Index	---	ECPI Global Developed ESG Corporate Ex Financials Hedged Bond Index

INDEX REBALANCING

The Index is reviewed and rebalanced on a monthly basis.
Within the Index, each bond is weighted according to its market value.

INDEX SELECTION

BOND TYPE

- Fixed coupon bonds
- Zero coupon bonds
- Step-ups
- Event-driven bonds, such as rating- or tax-driven bonds with a maximum of one coupon change per period
- Dated and undated callable corporate bonds, including fixed-to-floater bonds that change to a floating rate note at or after the first call date. Undated bonds must be callable. In the index calculation, these bonds are always assumed to redeem at the first call date

BOND CLASSIFICATION

- Corporate bonds: bonds issued by public or private corporations not belonging to the financial sector.

CREDIT RATING

Investment Grade

TIME TO MATURITY

All bonds must have a minimum remaining time to maturity of at least one year at the rebalancing date. For callable bonds, the first call date is always assumed to be the

expected redemption date. The expected remaining life is calculated as the number of days between the rebalancing date and the expected redemption date.

AMOUNT OUTSTANDING

- AUD, CAD, CHF, DKK, EUR, ILS, NOK, NZD, SEK, USD: 500mln
- GBP: 250mln
- JPY: 50bn

ELIGIBLE COUNTRIES

- | | | |
|-------------|---------------|------------------|
| • Australia | • Greece | • Norway |
| • Austria | • Ireland | • Portugal |
| • Belgium | • Israel | • Spain |
| • Canada | • Italy | • Sweden |
| • Denmark | • Japan | • Switzerland |
| • Finland | • Luxembourg | • United Kingdom |
| • France | • Netherlands | • United States |
| • Germany | • New Zealand | |

ELIGIBLE CURRENCIES

- | | | | |
|-------|-------|-------|-------|
| • AUD | • DKK | • ILS | • NZD |
| • CAD | • EUR | • JPY | • SEK |
| • CHF | • GBP | • NOK | • USD |

SUSTAINABILITY

Instruments issued by entities that are:

- eligible according to ECPI ESG Screening Methodology (ECPI ESG rating equal to or greater than E-)
- not involved in controversial weapons (Nuclear, Biological, Chemical, Cluster Munitions, Mines) production
- not involved in the production of tobacco or products that contain tobacco
- not involved in systematic violations of the UN Global Compact

Versions

VERSION	EFFECTIVE DATE	CHANGES
3.0.1	30 June 2023	Ungrouping Index Family

EXPLANATION OF HOW ESG FACTORS ARE REFLECTED IN THE KEY ELEMENTS OF THE BENCHMARK METHODOLOGY

Item 1. Name of the benchmark administrator.	StatPro
Item 2. Type of benchmark or family of benchmarks.	Equity
Item 3. Name of the benchmark or family of benchmarks.	ECPI Global Developed ESG Corporate Ex Financials Bond Index
Item 4. Does the benchmark methodology for the benchmark or family of benchmarks take into account ESG factors?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
<p>Item 5. Where the response to Item 4 is positive, please list below, for each family of benchmarks, those ESG factors that are taken into account in the benchmark methodology, taking into account the ESG factors listed in Annex II to Delegated Regulation (EU) 2020/1816. Please explain how those ESG factors are used for the selection, weighting or exclusion of underlying assets.</p> <p>The ESG factors shall be disclosed at an aggregated weighted average value at the level of the family of benchmarks.</p>	
(a) List of environmental factors considered:	<p>Selection:</p> <ul style="list-style-type: none"> Overall ECPI ESG Rating must be E- or higher <p>Exclusion:</p> <ul style="list-style-type: none"> Companies involved in systematic violations of the UN Global Compact are excluded (ESG Rating = F)
(b) List of social factors considered:	<p>Selection:</p> <ul style="list-style-type: none"> Overall ECPI ESG Rating must be E- or higher <p>Exclusion:</p> <ul style="list-style-type: none"> Companies involved in systematic violations of the UN Global Compact are excluded (ESG Rating = F) Production of controversial weapons (Nuclear, Biological, Chemical, Cluster Munitions, Mines) and/or their essential components Production of tobacco, products that contain tobacco or the wholesale trading of these products - more than 5% of total revenues
(c) List of governance factors considered:	<p>Selection:</p> <ul style="list-style-type: none"> Overall ECPI ESG Rating must be E- or higher <p>Exclusion:</p> <ul style="list-style-type: none"> Companies involved in systematic violations of the UN Global Compact are excluded (ESG Rating = F)
Hyperlink to the information on ESG factors for each benchmark:	https://ecpigroup.com/wp-content/uploads/rules/ECAPGCXF_Benchmark_Statement.pdf
Item 7. Data and standards used	
<p>(a) Data input.</p> <p>(i) Describe whether the data are reported, modelled or sourced internally or externally.</p> <p>(ii) Where the data are reported, modelled or sourced externally, please name the third party data provider.</p>	<p>Company analyses draw on a range of reliable and publicly available sources to create a transferable, equitable and auditable approach. Where possible, ECPI aims to use objective information that is easily measured and quantified and less subject to bias and opinion. In cases where an indicator is important to capture, but not easily quantifiable, ECPI process works to reduce bias, by identifying clear and unambiguous rules for assigning scores.</p> <p>Sources include:</p> <ul style="list-style-type: none"> Company annual reports Company sustainability reports, environmental reports, CSR reports or similar Company websites Regulatory data (from the regulators in the country/countries where the company is incorporated and/or listed)

	<ul style="list-style-type: none"> • Information providers and search engines • Media and news services (including newsletters from local and international institutions and NGOs). • Screening of company's participation in international institutions • Screening of company's certifications • Screening of company's awards • Thematic websites promoted by international non-profit organizations • Company Investor Relations departments, when necessary. In such cases, we try to obtain written answers in order to be able to store them in the company's records
<p>(b) Verification and quality of data. Describe how data are verified and how the quality of those data is ensured.</p>	<p>The ECPI ESG methodology combines an academic and scientific approach to appraise and monitor a company's long-term strategic position, operational management and actual behavior when it comes to society, the environment and markets.</p> <p>ECPI analysis based on non-traditional, quantitative and qualitative non-financial indicators has the goal to develop a synthetic measure of the non-financial risk-opportunity profile of a company: the ECPI ESG Rating Assessments are based on the review of a broad range of publicly available sources including sustainability reports, annual reports and company websites.</p> <p>The ESG Evaluation covers eight categories, each one addressing a number of different aspects:</p> <ol style="list-style-type: none"> 1. Environmental Strategy and Policy 2. Environmental Management System 3. Products (industry specific) 4. Production Process (industry specific) 5. Community Relations 6. Employees 7. Markets 8. Corporate Governance <p>A company must be assessed against all the ESG categories and aspects in order to achieve the final ESG score and rating.</p> <p>Quality of the assessment is ensured by a rule-based approach, where each indicator has a multiple-choice answer with a pre-defined set of scores that can be positive or negative depending on the aspect under scrutiny, thereby reducing analyst's discretionary reading of the assessed dimension. The quality of the assessment is also insured by a two-tier validation mechanism (<i>maker-checker</i>).</p>
<p>(c) Reference standards Describe the international standards used in the benchmark methodology.</p>	<p>The rating criteria have been developed in accordance with ICCR's "Principles for Global Corporate Responsibility: Benchmarks for Measuring Business Performance" and is inspired by the principles developed by International Bodies dedicated to Responsible Investment such as UN Global Compact (www.unglobalcompact.org), the Global Reporting Initiative (www.globalreporting.org) and UN PRI (www.unpri.org).</p>
<p>Date on which information has been last updated and reason for the update:</p>	<p>30 June 2023</p>

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