

BENCHMARK STATEMENT

WAEX – World Alternative Energy Total Return Index in EUR

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Introduction

Société Générale Index (SGI) is integrated in the Global Markets Cross-Asset Division of Société Générale. The SGI team is in charge of developing, structuring, maintaining and marketing rules-based SG proprietary indices linked to a wide range of assets. SGI mandate is cross-asset and worldwide. SGI provides clients with investment supports or hedging solutions by offering indices included in open architectures (either internally (Research, pricing teams and Quantitative Investment Team) or externally).

SGI platform offers:

- Flagship indices that are market access or strategy indices designed for a large and syndicated use
- Bespoke indices that are dedicated to one specific client / one specific transaction. They can be systematic or advised; derived from a flagship index or *ex nihilo*.

This document constitutes the applicable Benchmark Statement under Article 27 of Regulation (EU) 2016/1011 in respect of the benchmarks referred to herein and SOCIETE GENERALE shall be considered the “administrator” of such benchmarks (as defined in Article 3(1)(6) of the Benchmark Regulation). Terms used in this document, but not defined, shall have the meaning ascribed in the Benchmark Administration - Key Terms Document (the European Regulation on Benchmarks EU) 2016/1011, “BMR”).

I. General Information

This benchmark statement was updated on 2022-02-02.

This benchmark statement relates to a specific benchmark World Alternative Energy Total Return Index in EUR (single identifier is the Bloomberg code WAEX), where Société Générale Index acts as the “administrator” (as defined in Article 3(1)(6) of the BMR).

The Benchmark does not use any contributed input data (as defined in Article 3(1)(8) of the BMR).

The Benchmark is classified as a non-significant benchmark (as defined in Article 3(1)(27) of the BMR).

All benchmark methodologies are assessed prior to their implementation according to SGI governance with respect to their methodological and operational complexity and risks associated with the required data inputs.

The criteria and procedures used to determine the benchmark, including a description of the input data, the priority given to different types of input data, the minimum data needed to determine a benchmark, the use of any models or methods of extrapolation and any procedure for rebalancing the constituents of a benchmark's index are described in the Index Rules which are made available to users upon request.

In some situations, errors in the calculation of the Index levels could arise. The restatement policy of Société Générale Index governs the actions to take in such situation

II. Market or Economic reality

a. General description of the market or the economic reality geographical boundaries of the market or economic reality

The World Alternative Energy Market Cap Adjusted Index and the World Alternative Energy Index (each the “Index”) tracks the performance of a hypothetical basket of Shares of Companies which have the biggest share of their revenues in either or several of the following investment clusters: Distributed Energy, Energy Efficiency, and Renewable Energy. The Shares are selected based on a quantitative model (the “Model”) designed by RobecoSAM AG (the “Model Provider”).

b. Geographical boundaries of the market or economic reality

This benchmark may relate to one of the following regions:

- Global.

III. Potential limitations

a. Circumstances in which administrator would lack sufficient input data

The circumstances in which administrator would lack sufficient input data are described in the index rule or the global methodology of SGI Indices, which last version is available at <https://sgi.sgmarkets.com>, and in which are described the different disruption or extraordinary events which could affect input data sufficiency or quality and the applicable remedies. The applicable global methodology is referenced in the relevant index rule.

b. Position of each function or body that may exercise discretion

Not applicable as there is no discretionary data in this benchmark.

IV. Review of the methodology, changes to or cessation of the benchmark

Our administered benchmarks are designed to be referenced in financial instruments or products that are either commercialized or licensed by Société Générale, therefore the index methodology is designed to ensure the replicability of this index. Modification of the methodology or cessation of a benchmark is described below.

a. Changes to a benchmark

In some exceptional circumstances the need may arise for the administrator to modify the methodology of a benchmark. Permanent modifications are aimed solely at rectifying manifest errors or enhancing the methodology to the extent necessary to continue delivering the benchmark strategy.

Depending on the materiality of the changes, the foregoing modifications may be subject to the approval of (i) an index scientific committee or (ii) an event management committee or (iii) a quarterly review committee as applicable (and in some cases, the approval of the parties holding an interest in products linked to the relevant benchmark and/or other stakeholders), in any case as relevant and proportional to the materiality of such modifications, with the key focus on the mitigation of potential conflicts of interest. Such approvals are sought depending on the provisions specified in the index rules, or the relevant global methodology, as applicable.

Such modification may be communicated directly to the users of the benchmark and to other stakeholders. Material modifications might also be notified through SGI website, <https://sgi.sgmarkets.com>.

b. Cessation of a benchmark

The cessation of a benchmark may become necessary in the case of major disruption or extraordinary events that cannot be remediated.

In such cases, the specific situation is reviewed by the administrator as well as compliance and legal teams and approved during an event management committee.

Once the termination is decided, the termination process entails at least the following:

- notification of the external providers
- notification of the users of the benchmark

The termination of the benchmark would also be notified through SGI website, <https://sgi.sgmarkets.com>.

For the avoidance of doubt, SGI may also terminate an index if such index is no longer needed or used as the underlying of a product.

Users are advised that changes to, or the cessation of, the benchmark may have an impact upon the financial contracts and financial instruments that reference the benchmark or the measurement of the performance of investment funds.

V. Update of the document

This document may be updated when necessary and notably in the following case:

- a) in case the benchmark is no longer reliable to accurately measure the underlying market or economic reality;
 - b) in case of a change in the type of the benchmark;
 - c) in case of a significant change in the benchmark or in the methodology of its calculation;
 - d) when fair and easy access to information is impaired as a consequence of a change in the information incorporated in the benchmark statement by reference.
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ANNEX I - ESG FACTORS

Item 1. Name of the benchmark administrator.	Societe Generale Index
Item 2. Type of benchmark or family of benchmarks.	Equity
Item 3. Name of the benchmark or family of benchmarks.	World Alternative Energy Total Return Index in EUR
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?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Item 5. Does the benchmark or family of benchmarks pursue ESG objectives?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Item 6. Where the response to Item 5 is positive, provide below the details (score) in relation to the ESG factors listed in Annex II for each family of benchmarks at aggregated level.	
a) List of combined ESG factors:	no family of benchmarks
b) List of environmental factors:	no family of benchmarks
c) List of social factors:	no family of benchmarks
d) List of governance factors:	no family of benchmarks
Item 7. Where the response to Item 5 is positive, provide below the details (score) for each benchmark, in relation to the ESG factors listed in Annex II, depending on the relevant underlying asset concerned.	
a) List of combined ESG factors:	
b) List of environmental factors:	Selection of companies that have their highest revenue share (more than 40%) in one or several of the following three investment clusters: Distributed Energy, Energy Efficiency, and Renewable Energy Exclusion of companies which are in breach of the UN Global Compact
c) List of social factors:	Exclusion of companies involved in the manufacturing, sale, storage or maintenance of cluster munitions and anti-personal mines and maintained by the General Secretariat Department of Société Générale) Exclusions of companies which are in breach of the UN Global Compact

d) List of governance factors:	Exclusion of companies which are in breach of the UN Global Compact
Hyperlink to the information on ESG factors for each benchmark:	n/a
Item 8. Data and standards used	
a) Description of data sources used to provide information on the ESG factors in the benchmark statement.	(i) Sourced externally (ii) Robecosam Sustainalytics
b) Reference standards.	UN Global Compact
SECTION 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;	Not Applicable
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;	Not Applicable
c) overlap between those benchmarks and their investable universe, as defined in Article 1, point (e), of Commission Delegated Regulation (EU) 2020/1818 using the active share at asset level	Not Applicable
SECTION 3 – DISCLOSURE OF THE ALIGNMENT WITH THE OBJECTIVES OF THE PARIS AGREEMENT	
Item 10. By the date of application of this Regulation, for significant equity and bond benchmarks, EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks, benchmark administrators shall also disclose the following information. 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;	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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;	Not Applicable
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;	Not Applicable
d) the methodology used for the measurement of the alignment with the temperature scenario;	Not Applicable
e) the hyperlink to the website of the temperature scenario used.	Not Applicable

DISCLOSURES	KPI	% index covered
Combined ESG factors		
<p>Weighted average ESG rating of the benchmark.</p> <p>Measure the extent to which enterprise value is at risk driven by ESG factors. The score is measured on an open-ended scale starting at 0 (no risk) and, for 95% of the cases, a maximum score below 50.</p>	22.29	100.0 %
Overall ESG rating of top ten benchmark constituents by weighting in the benchmark.	19.78	100 %
Environmental		
<p>Weighted average environmental rating of the benchmark.</p> <p>Measure the extent to which enterprise value is at risk driven by environmental factors. The score is measured on an open-ended scale starting at 0 (no risk) and, for 95% of the cases, a maximum score below 50.</p>	6.75	82.3 %
<p>Exposure of the benchmark portfolio to renewable energy as measured by capital expenditures (CapEx) in those activities (as a share of total CapEx by energy companies included in the portfolio).</p> <p>This indicator measures companies' revenues related to the generation of renewable energy or the manufacture of products and services that support renewable energy generation.</p>	37.73 %	100.0 %
Exposure of the benchmark portfolio to climate-related physical risks, measuring the effects of extreme weather events on companies' operations and production or on the different stages of the supply chain.	Not available	
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 as a percentage of the total weight in the portfolio.	Not available	
<p>Greenhouse gas (GHG) intensity of the benchmark.</p> <p>Our indicator is computed as the ratio of Absolute emissions to revenues. Absolute emissions consider multiple greenhouse gases expressed in terms of tons of CO₂ / revenues (computed in millions of US\$)</p>	276.99 tons of CO ₂ per million USD revenues	100.0 %
Percentage of GHG emissions reported versus estimated.	Reported: 66.52 % Estimated: 33.48 %	97.5 % 97.5 %
<p>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.</p> <p>Our kpi does not cover the whole disclosure but only the involvement of the benchmark in activities of Extraction, Generation and Production Support of Carbon- Fossil Fuel, Thermal Coal and Oil & Gas</p>	15.42 %	100.0 %
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.	1.29 %	100.0 %

Our kpi does not cover the whole disclosure but only the percentage of revenues of the benchmark which relies on Pollution Prevention & Reduction Materials, Technologies, Services, Treatment or Remediation Services		
Social		
Weighted average social rating of the benchmark. Measure the extent to which enterprise value is at risk driven by social factors. The score is measured on an open-ended scale starting at 0 (no risk) and, for 95% of the cases, a maximum score below 50.	8.26	82.3 %
International treaties and conventions, United Nations principles or, where applicable, national law used in order to determine what constitutes a 'controversial weapon'.	The Arms Trade Treaty and all international conventions on weapons considered to be controversial. The following types of weapons are covered: Anti-Personnel Mines, Biological and Chemical Weapons, Cluster Weapons, Nuclear Weapons, Depleted Uranium and White Phosphorus are covered.	
Weighted average percentage of benchmark constituents in the controversial weapons sector. Our kpi represents the percentage of the benchmark which has not ratified any of the conventions.	0.0 %	100.0 %
Weighted average percentage of benchmark constituents in the tobacco sector.	0.0 %	100.0 %
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. These social violations include: Access to Basic Services, Data Privacy and Security, Marketing Practices, Sanctions, Labour Relations, Occupational Health & Safety, Social Impact of Products, Weapons Involvement and Human Rights.	Absolute : 0 Relative : 0.0 %	100.0 %
Exposure of the benchmark portfolio to companies without due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8. Our kpi does not cover the whole International Labor conventions 1 to 8 but only aggregates the company's policy to eliminate discrimination and ensure equal opportunity, the company's freedom of association and collective bargaining policy and if the company has supply chain/contractors policies	22.53 %	47.4 %
Weighted average gender pay gap.	Not available	
Weighted average ratio of female to male board members.	0.3	79.5 %
Weighted average ratio of accidents, injuries, fatalities.	Not available	
Numbers of convictions and amount of fines for violations of anti-corruption and antibribery laws.	Not available	
Governance		
Weighted average governance rating of the benchmark. Measure the extent to which enterprise value is at risk driven by governance factors. The score is measured on an open-ended scale starting at 0 (no risk) and, for 95% of the cases, a maximum score below 50.	6.84	82.3 %

<p>Weighted average percentage of board members who are independent.</p> <p>Our kpi compiles ranges of board independence of each component. The ranges are the following: 0% to 50%, 51 to 66%, 66 to 100%. For each of those range we consider the middle of the interval, respectively: 25.5%, 58.5%, 83.5%.</p>	74.53 %	82.3 %
<p>Weighted average percentage of female board members.</p>	32.3 %	79.5 %
<p>Date on which information has last been updated and reason for the update:</p>	<p>2022-02-02 Rebalancing</p>	