



June 2024

Solactive WisdomTree Global Sustainable Equity UCITS Index



WisdomTree.eu
+44 (0) 207 448 4330

Index Construction

The Solactive WisdomTree Global Sustainable Equity UCITS Index seeks to track the performance of companies from developed markets that positively contribute to social and/or environmental objectives according to defined sustainability criteria.

1. Define Universe

Stocks are selected from the Solactive GBS Developed Market Large & Mid Cap Index (Parent Index). The Index tracks the performance of the large and mid-cap segment covering approximately the largest 85% of the free-float market capitalisation in the developed markets.

2. Apply ESG Screen

Companies are excluded from the universe based on the following ESG criteria:

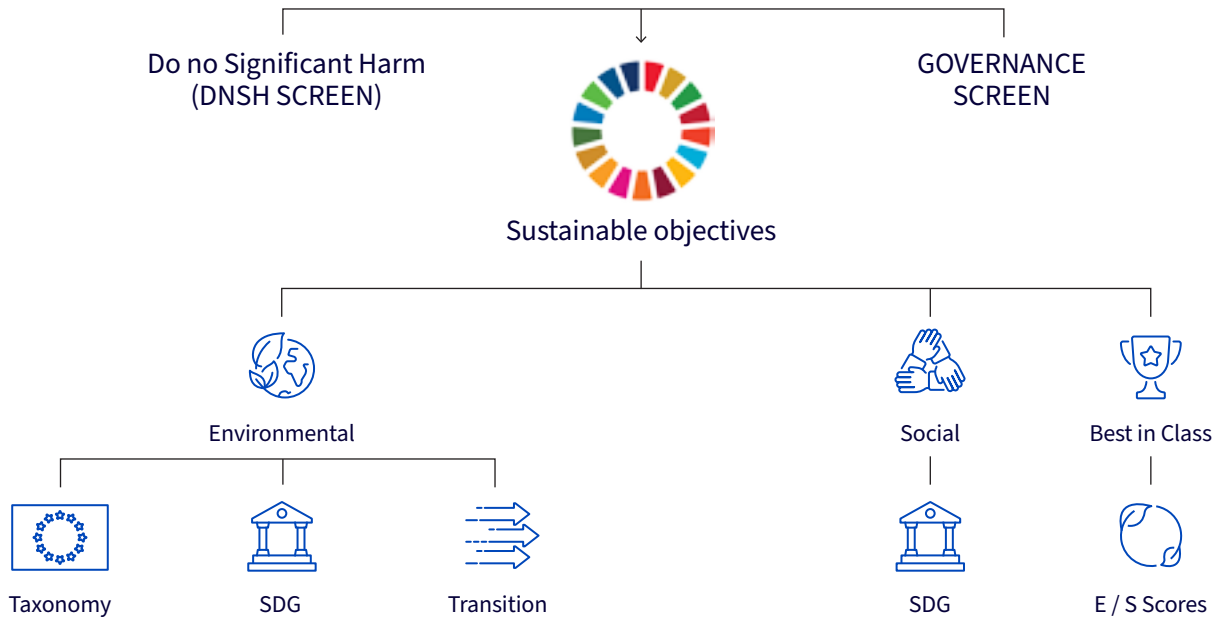
- Classified as **“non-compliant”** with international norms and standards, such as the United Nations Global Compact (UNGC) Principles, the UN Guiding Principles on Business and Human Rights (UNGPs), the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and their underlying conventions.

- Deriving more than **0%** of revenue from controversial weapons, or tobacco activities, except companies deriving less than **5%** of revenue from tobacco distribution.
- Deriving more than **5%** of revenue from thermal coal activities, such as thermal coal extraction, or thermal coal-based power generation.
- Deriving more than **5%** of revenue from unconventional oil and gas activities, including oil sands extraction, arctic oil and gas exploration, or shale energy extraction and production
- Deriving more than **5%** of revenue from small arms activities
- The company has a Sustainalytics Controversy Rating of **5** or a Sustainalytics Controversy Rating of **4** with a negative outlook.
- The company has a Sustainalytics ESG Risk Score of greater than **30**.

Additional criteria for company exclusion can be found in the [index methodology](#).

3. Stock Selection

Figure 1: Sustainability Framework



A company is evaluated across the following criteria before being selected:

Taxonomy

The company has greater or equal to 20% of revenues **aligned with the EU taxonomy**¹ or is in the top quintile of its sector concerning the former aligned revenue.

UN SDGs²

- a. (Environmental) The company has **greater or equal to 20% of revenues aligned with contributing to the SDGs** 6, 7, 12, 13, 14, or 15. Alternatively, the company is in the top quintile of its sector concerning the former aligned revenue.
- b. (Social) The company has greater or equal to 20% of revenues aligned with contributing to the SDGs 2, 3, 4, 10, or 11. Alternatively, the company is in the top quintile of its sector concerning the former aligned revenue.

¹ **EU TAXONOMY** is the EU taxonomy for sustainable activities. For more information, please visit finance.ec.europa.eu

² **UN SDGs** are the United Nations Sustainable Development Goals. For more information, please visit sdgs.un.org/goals

Transition

- a. The company's proportion of capital expenditure that is EU taxonomy-aligned exceeds the proportion of revenue **that is EU taxonomy-aligned** by at least 10%.
- b. The company has **SBTi-approved³ carbon emission reduction targets** and a positive “Carbon Trend” which is defined as a decline of at least 10% in Scope 1&2 GHG emissions over the last 3 years.

Best-In-Class

- a. The company is at the intersection of the top quintiles of its sector concerning Sustainalytics’ Environmental Risk Management Score and Social Risk Management Score.
- b. The company is at the intersection of the top quintiles of its sector concerning **board gender diversity, workforce gender diversity, and senior management gender diversity.**

The sustainability framework also features strong ‘Do Not Significant Harm’ (DNSH) and ‘Good Governance’ screens.

Additional details for the stock selection can be found in the [index methodology](#).

4. Weighting

- + Weighted to maximize revenue proportion aligned with SDGs or EU Taxonomy.
- + Restricted diversion from the Parent Index.
- + The index is rebalanced semi-annually in May and November.



³ **SBTi** is short for Science Based Targets initiative. For more information, please visit www.sciencebasedtargets.org

Important Information

Marketing communications issued in the European Economic Area (“EEA”): This document has been issued and approved by WisdomTree Ireland Limited, which is authorised and regulated by the Central Bank of Ireland.

Marketing communications issued in jurisdictions outside of the EEA: This document has been issued and approved by WisdomTree UK Limited, which is authorised and regulated by the United Kingdom Financial Conduct Authority.

WisdomTree Ireland Limited and WisdomTree UK Limited are each referred to as “WisdomTree” (as applicable). Our Conflicts of Interest Policy and Inventory are available on request.

For professional clients only. Past performance is not a reliable indicator of future performance. Any historical performance included in this document may be based on back testing. Back testing is the process of evaluating an investment strategy by applying it to historical data to simulate what the performance of such strategy would have been. Back tested performance is purely hypothetical and is provided in this document solely for informational purposes. Back tested data does not represent actual performance and should not be interpreted as an indication of actual or future performance. The value of any investment may be affected by exchange rate movements. Any decision to invest should be based on the information contained in the appropriate prospectus and after seeking independent investment, tax and legal advice. These products may not be available in your market or suitable for you. The content of this document does not constitute investment advice nor an offer for sale nor a solicitation of an offer to buy any product or make any investment.

An investment in exchange-traded products (“ETPs”) is dependent on the performance of the underlying index, less costs, but it is not expected to match that performance precisely. ETPs involve numerous risks including among others, general market risks relating to the relevant underlying index, credit risks on the provider of index swaps utilised in the ETP, exchange rate risks, interest rate risks, inflationary risks, liquidity risks and legal and regulatory risks.

The information contained in this document is not, and under no circumstances is to be construed as, an advertisement or any other step in furtherance of a public offering of shares in the United States or any province or territory thereof, where none of the issuers or their products are authorised or registered for distribution and where no prospectus of any of the issuers has been filed with any securities commission or regulatory authority. No document or information in this document should be taken, transmitted or distributed (directly or indirectly) into the United States. None of the issuers, nor any securities issued by them, have been or will be registered under the United States Securities Act of 1933 or the Investment Company Act of 1940 or qualified under any applicable state securities statutes.

This document may contain independent market commentary prepared by WisdomTree based on publicly available information. Although WisdomTree endeavours to ensure the accuracy of the content in this document, WisdomTree does not warrant or guarantee its accuracy or correctness. Any third party data providers used to source the information in this document make no warranties or representation of any kind relating to such data. Where WisdomTree has expressed its own opinions related to product or market activity, these views may change. Neither WisdomTree, nor any affiliate, nor any of their respective officers, directors, partners, or employees accepts any liability whatsoever for any direct or consequential loss arising from any use of this document or its contents.

This document may contain forward looking statements including statements regarding our belief or current expectations with regards to the performance of certain assets classes and/or sectors. Forward looking statements are subject to certain risks, uncertainties and assumptions. There can be no assurance that such statements will be accurate and actual results could differ materially from those anticipated in such statements. WisdomTree strongly recommends that you do not place undue reliance on these forward-looking statements.

WisdomTree Issuer ICAV

The products discussed in this document are issued by WisdomTree Issuer ICAV ("WT Issuer"). WT Issuer is an umbrella investment company with variable capital having segregated liability between its funds organised under the laws of Ireland as an Irish Collective Asset-management Vehicle and authorised by the Central Bank of Ireland ("CBI"). WT Issuer is organised as an Undertaking for Collective Investment in Transferable Securities ("UCITS") under the laws of Ireland and shall issue a separate class of shares ("Shares") representing each fund. Investors should read the prospectus of WT Issuer ("WT Prospectus") before investing and should refer to the section of the WT Prospectus entitled 'Risk Factors' for further details of risks associated with an investment in the Shares.

Solactive AG ("Solactive") is the licensor of Solactive WisdomTree Global Sustainable Equity UCITS Index (the "Index"). The financial instruments that are based on the Index are not sponsored, endorsed, promoted or sold by Solactive in any way and Solactive makes no express or implied representation, guarantee or assurance with regard to: (a) the advisability in investing in the financial instruments; (b) the quality, accuracy and/or completeness of the Index; and/or (c) the results obtained or to be obtained by any person or entity from the use of the Index. Solactive reserves the right to change the methods of calculation or publication with respect to the Index. Solactive shall not be liable for any damages suffered or incurred as a result of the use (or inability to use) of the Index.

Notice to Investors in Switzerland – Qualified Investors

This document constitutes an advertisement of the financial product(s) mentioned herein.

In Switzerland, this communication is only targeted at Qualified Investors. The prospectus and the key investor information documents (KIID) are available from WisdomTree's website: <https://www.wisdomtree.eu/en-ch/resource-library/prospectus-and-regulatory-reports>

Some of the sub-funds referred to in this document may not have not been registered with the Swiss Financial Market Supervisory Authority ("FINMA"). In Switzerland, such sub-funds that have not been registered with FINMA shall be distributed exclusively to qualified investors, as defined in the Swiss Federal Act on Collective Investment Schemes or its implementing ordinance (each, as amended from time to time). The representative and paying agent of the sub-funds in Switzerland is Société Générale Paris, Zurich Branch, Talacker 50, PO Box 5070, 8021 Zurich, Switzerland. The prospectus, the key investor information documents (KIID), the articles of association and the annual and semi-annual reports of the sub-funds are available free of charge from the representative and paying agent. As regards distribution in Switzerland, the place of jurisdiction and performance is at the registered seat of the representative and paying agent.

For Investors in Malta:

This document does not constitute or form part of any offer or invitation to the public to subscribe for or purchase shares in the Fund and shall not be construed as such and no person other than the person to whom this document has been addressed or delivered shall be eligible to subscribe for or purchase

shares in the Fund. Shares in the Fund will not in any event be marketed to the public in Malta without the prior authorisation of the Maltese Financial Services Authority.

For Investors in France:

The information in this document is intended exclusively for professional investors (as defined under the MiFID) investing for their own account and this material may not in any way be distributed to the public. The distribution of the Prospectus and the offering, sale and delivery of Shares in other jurisdictions may be restricted by law. WT Issuer is a UCITS governed by Irish legislation, and approved by the Financial Regulatory as UCITS compliant with European regulations although may not have to comply with the same rules as those applicable to a similar product approved in France. The Fund has been registered for marketing in France by the Financial Markets Authority (Autorité des Marchés Financiers) and may be distributed to investors in France. Copies of all documents (i.e. the Prospectus, the Key Investor Information Document, any supplements or addenda thereto, the latest annual reports and the memorandum of incorporation and articles of association) are available in France, free of charge at the French centralizing agent, Societe Generale at 29, Boulevard Haussmann, 75009, Paris, France. Any subscription for Shares of the Fund will be made on the basis of the terms of the prospectus and any supplements or addenda thereto.

For Investors in Monaco:

This communication is only intended for duly registered banks and/or licensed portfolio management companies in Monaco. This communication must not be sent to the public in Monaco.



WisdomTree.eu
+44 (0) 207 448 4330