

Exclusion List Methodology for ESG Screened Funds in SSGA Luxembourg SICAV

Scope

This guideline outlines the methodology used to produce the State Street Global Advisors (SSGA) ESG Stock Exclusion List (the Exclusion List) relating to the following funds in the State Street Global Advisors Luxembourg SICAV:

State Street EMU ESG Screened Equity Fund
State Street Emerging Markets ESG Screened Enhanced Equity Fund
State Street Europe ESG Screened Enhanced Equity Fund
State Street North America ESG Screened Enhanced Equity Fund
State Street Europe Small Cap ESG Screened Equity Fund
State Street Global ESG Screened Enhanced Equity Fund
State Street Global ESG Screened Defensive Equity Fund
State Street Emerging Markets Small Cap ESG Screened Equity Fund
State Street Global ESG Screened Managed Volatility Equity Fund
State Street Euro Corporate Bond Screened Index Fund
Corporate bond holdings of the State Street Global Aggregate Bond Index Fund
Corporate bond and Cash holdings of the State Street Flexible Asset Allocation Plus Fund

Exclusion Categories

The Exclusion List includes the following screens:

1. Controversial Weapons
2. UN Global Compact Violations
3. Swedish Ethical Council exclusions
4. Thermal Coal
5. Arctic Drilling
6. Oil and Tar Sands
7. Severe ESG Controversies

Methodology

Controversial Weapons SSGA receives universe-level data from two ESG screening data providers: Sustainalytics and MSCI. A screen is applied to the data to generate lists from each data provider of excluded securities for this category. SSGA determines the parameters that define the screen which are then approved by the firm's Investment Committee. Companies are excluded if they appear on either or both of the lists from the two data providers.

UN Global Compact Violations Data is sourced from Sustainalytics. A screen is applied to the data to generate a list of excluded securities for this category. SSGA determines the parameters that define the screen and these are approved by the firm's Investment Committee.

Swedish Ethical Council The exclusion list of the Swedish Ethical Council is determined by the Swedish Ethical Council and provided by Sustainalytics to SSGA.

Thermal Coal data is sourced from Sustainalytics. A screen is then applied to the data to generate a list of excluded securities for this category. SSGA determines the parameters that define the screen which are then approved by the firm's Investment Committee.

Arctic Drilling data is sourced from Sustainalytics. A screen is then applied to the data to generate a list of excluded securities for this category. SSGA determines the parameters that define the screen which are then approved by the firm's Investment Committee.

Oil and Tar Sands data is sourced from Sustainalytics. A screen is then applied to the data to generate a list of excluded securities for this category. SSGA determines the parameters that define the screen which are then approved by the firm's Investment Committee.

Severe ESG Controversies data is sourced from Sustainalytics. A screen is then applied to the data to generate a list of excluded securities for this category. SSGA determines the parameters that define the screen which are then approved by the firm's Investment Committee.

1 Controversial Weapons

Companies with focused involvement in the following controversial weapons are excluded.

Landmines Landmines are explosives that are designed to detonate at the presence, proximity or contact of a person or vehicle. After being planted, antipersonnel mines can remain undetonated for years, posing a serious risk to civilians after a conflict has ended.

Biological and chemical weapons Biological or chemical weapons are munitions that utilize pathogens such as viruses, bacteria, and disease-causing biological agents, toxins, or chemical substances that have toxic properties, to inflict death or harm. Either type can be dispersed in gas, liquid, or solid forms. As these munitions are based on organisms or chemicals, civilians are often unintended victims since the impact zone is constrained only by how far the particles can disperse. For biological weapons, person-to-person transmission of the illness can further exacerbate the civilian impact.

Cluster weapons Cluster weapons are air-dropped explosives: bombs, missiles, rockets, or shells that carry sub munitions and disperse them over an area. The sub munitions have a wide impact zone, and often remain undetonated on the ground. These munitions can remain dangerous for years after the conflict has ended, posing a serious risk to civilians.

Depleted Uranium Depleted Uranium (DU) munitions are projectiles (bullets, rockets, etc.) that have been equipped with the radioactive chemical substance DU, a by-product of the uranium enrichment process used to make nuclear weapons and nuclear-reactor fuel. Because of its high density, DU is often used as a penetrator in ammunition to help pierce armour. However, areas where depleted uranium munitions have been used are exposed to its radioactive qualities, causing people living in the area to be more prone to cancers, congenital birth defects, and other illnesses.

Nuclear Weapons A nuclear weapon is a device that is capable of releasing nuclear energy in an uncontrolled manner, due to fusion and/or fission reactions, making it a highly destructive explosive. The indiscriminate and disproportionate impact on civilians makes nuclear weapons a controversial weapon.

White Phosphorus White phosphorus (WP) is an allotrope of the chemical element phosphorus, which burns fiercely when exposed to oxygen. A WP munition is any projectile (e.g. flares, grenades, or mortars) that is equipped with WP, in order to act as a smoke-producing agent, or as tracer, illumination, or incendiary munition.

2 UN Global Compact Principles

Companies directly complicit in violations of core international norms and conventions, as described in the United Nations Global Compact Principles, are excluded.

The UN Global Compact is the world's largest corporate sustainability initiative with 13,000 participants from 170 countries. It consists of a set of internationally recognized principles that encompass important issues, such as human rights, labour, the environment, and anti-corruption practices. The 10 principles are as follows:

Human Rights

- | | |
|--------------------|--|
| <i>Principle 1</i> | Businesses should support and respect the protection of internationally proclaimed human rights; and |
| <i>Principle 2</i> | make sure that they are not complicit in human rights abuses. |

Labour

- | | |
|--------------------|--|
| <i>Principle 3</i> | Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; |
| <i>Principle 4</i> | the elimination of all forms of forced and compulsory labour; |
| <i>Principle 5</i> | the effective abolition of child labour; and |
| <i>Principle 6</i> | the elimination of discrimination in respect of employment and occupation. |

Environment

- | | |
|--------------------|---|
| <i>Principle 7</i> | Businesses should support a precautionary approach to environmental challenges; |
| <i>Principle 8</i> | undertake initiatives to promote greater environmental responsibility; and |
| <i>Principle 9</i> | encourage the development and diffusion of environmentally friendly technologies. |

Anti-Corruption

- | | |
|---------------------|--|
| <i>Principle 10</i> | Businesses should work against corruption in all its forms, including extortion and bribery. |
|---------------------|--|

3 Swedish Ethical Council

All companies on the recommended exclusion list by the Council on Ethics, Swedish National Pension Funds, are excluded.

The Ethical Council is a body operated jointly by four Swedish national pension funds – AP1, AP2, AP3 and AP4 (known as the AP funds). The Council seeks to drive positive change in foreign companies implicated in violating international environmental and human rights conventions, including the Universal Declaration of Human Rights, United Nations treaties and the International Labour Organization’s Core Conventions. Excluded companies from their investment universe are directly involved in the production or marketing of anti-personnel landmines and cluster munitions. Companies can also be divested if they violate the UN Global Compact and the OECD Guidelines for Multinational Enterprises and where dialogue with the companies has not led to improvements.

4 Thermal Coal

Companies involved in the extraction or power generation in thermal coal are excluded.

5 Arctic Drilling

Companies involved in oil and gas exploration in Arctic regions are excluded.

6 Oil and Tar Sands

Companies for whom a meaningful portion of their average daily production comes from oil and tar sands are excluded.

7 Severe ESG Controversies

Companies involved in incidents/events that may pose business or reputational risk due to the potential impact on stakeholders, the environment, or the company’s operations are excluded.

Update Frequency

The Exclusion List is updated once per quarter.

Governance

The Exclusion List methodology (with the exception of the Swedish Ethical Council list which, as described above, is generated by the Council on Ethics, Swedish National Pension Funds) and screening criteria are subject to SSGA’s governance approval process. A description of the Swedish Ethical Council list can be found in the Methodology section above.

Further Information

For more detailed information about the research methodology, please refer to your State Street Global Advisors contact person.

About State Street Global Advisors

Our clients are the world's governments, institutions and financial advisors. To help them achieve their financial goals we live our guiding principles each and every day:

- Start with rigour
- Build from breadth
- Invest as stewards
- Invent the future

For four decades, these principles have helped us be the quiet power in a tumultuous investing world. Helping millions of people secure their financial futures. This takes each of our employees in 29 offices around the world, and a firm-wide conviction that we can always do it better. As a result, we are the world's fourth-largest asset manager* with US \$3.26 trillion† under our care.

* Pensions & Investments Research Center, as of December 31, 2021.

† This figure is presented as of September 30, 2022 and includes approximately \$55.12 billion USD of assets with respect to SPDR products for which State Street Global Advisors Funds Distributors, LLC (SSGA FD) acts solely as the marketing agent. SSGA FD and State Street Global Advisors are affiliated. Please note all AUM is unaudited.

ssga.com

© 2022 State Street
Corporation. All Rights
Reserved.