

SPDR Bloomberg SASB U.S. High Yield Corporate ESG UCITS ETF

Duurzaamheidsinformatie voor artikel 8-fonds - website



A. Samenvatting

Het SPDR Bloomberg SASB U.S. High Yield Corporate ESG UCITS ETF (“Fonds”) is een indexfonds dat de prestaties volgt van de Bloomberg SASB US Corporate High Yield ESG Ex-Controversies Select Index. De index is aangewezen voor het behalen van de ecologische of sociale kenmerken die door het fonds worden gepromoot. De ecologische en sociale kenmerken die het fonds promoot, komen overeen met die van de index die door het fonds is aangewezen, en zijn meer specifiek gebaseerd op de R-Factor™-scores die zijn gebruikt bij het samenstellen van de index.

Dit financiële product promoot ecologische of sociale kenmerken, maar heeft geen duurzame beleggingsdoelstelling.

De ecologische en sociale kenmerken die het fonds promoot, komen overeen met die van de index die door het fonds is aangewezen, en zijn meer specifiek gebaseerd op de R-Factor™-scores die zijn gebruikt bij het samenstellen van de index. De R-Factor™ is een benadering van de ESG-score door het volledige spectrum te omvatten van ‘financieel materiële’ maatstaven om duurzame aanjagers van waarde te isoleren binnen ecologische, menselijke, sociale, bedrijfsmatige, leiderschaps- en corporate governance-dimensies. Daarnaast sluit de index emittenten uit die betrokken zijn bij controversiële extreme gebeurtenissen, controversiële wapens, schendingen van de principes van het Global Compact-initiatief van de Verenigde Naties, vuurwapens voor civiel gebruik, thermische steenkoolwinning en tabaksbedrijven.

De beleggingsbeheerder en/of de onderbeheerder zal uit naam van het fonds beleggen op basis van de gelaagde steekproefstrategie, zoals nader beschreven in het hoofdstuk “Investment Objectives and Policies – Index Tracking Funds” van het prospectus, en zal voornamelijk beleggen in de effecten van de index, altijd in overeenstemming met de in het prospectus vermelde beleggingsbeperkingen.

De vermogensbeheerder hanteert een bindende ESG-methodologie met als doel een portefeuille samen te stellen waarin minstens 90% van de activa van het fonds is belegd in effecten die afgestemd zijn op de door het fonds gepromote ecologische en sociale kenmerken. Het restant (<10%) van de portefeuille, bestaande uit contanten en equivalente middelen die naar het inzicht van de vermogensbeheerder worden aangehouden, zal niet op de gepromote ecologische en sociale kenmerken afgestemd zijn. Voor zover het fonds financiële derivaten kan gebruiken, worden deze niet gebruikt om de door het fonds gepromote ecologische of sociale kenmerken te bereiken. Het fonds verbindt zich niet om duurzame beleggingen te verrichten in de zin van de SFDR of de Taxonomieverordening.

Het aandeel van de portefeuille van het fonds dat wordt belegd in effecten die zijn opgenomen in de index zal een duurzaamheidsindicator vormen om de mate van realisering van elk van de

ecologische of sociale kenmerken die worden gepromoot door het fonds te meten.

De link naar de indexmethodologie waarin de door het fonds gepromote ecologische of sociale kenmerken zijn opgenomen, is beschikbaar in het betreffende supplement en is hieronder opgenomen.

Meer informatie over de databronnen die zijn gebruikt om de relevante ecologische of sociale kenmerken te behalen, vindt u in de indexmethodologie.

Het is mogelijk dat de indexprovider fouten maakt, zoals een onjuiste beoordeling van de screeningcriteria zoals beschreven in het beleggingsbeleid en/of het toelaten van onjuiste effecten of het uitsluiten van juiste effecten tijdens het screeningproces. ESG-gegevens kunnen op bepaalde aannames, voorspellingen, prognoses, visies en opinies zijn gebaseerd, die op huidige markttrends of verwachte toekomstige gebeurtenissen gebaseerd kunnen zijn. Gezien de aard van gegevensmodellen, methodologieën en aannames, die in ontwikkeling en innovatief zijn, en de inherente onzekerheid bij het voorspellen van toekomstige gebeurtenissen, kan niet worden gegarandeerd dat de ESG-gegevens altijd nauwkeurig of juist zijn of dat de ESG-gegevens voldoen aan de doelen of vereisten van een specifieke klant of belegger. Bovendien is het mogelijk dat er geen gegevens beschikbaar zijn door het ontbreken van databronnen.

SSGA houdt toezicht op externe leveranciers, inclusief indexproviders, in overeenstemming met het risicobeheerprogramma voor derden. SSGA overlegt regelmatig met indexproviders voor het evalueren van het dienstverleningsniveau en voert ook gerichte beoordelingen uit van de processen, systemen en systeemcontroles, gegevens, kwaliteitscontroles en IT-beveiliging van de indexproviders.

Het engagementbeleid van SSGA is niet rechtstreeks in de beleggingsstrategie van het fonds geïntegreerd. Het Asset Stewardship-programma van SSGA brengt echter alle stem- en engagementactiviteiten voor alle activaklassen samen, ongeacht de beleggingsstrategie of geografische regio, inclusief voor het fonds.

Het fonds heeft de index aangewezen voor het behalen van de ecologische of sociale kenmerken die door het fonds worden gepromoot. Op basis van de indexmethodologie vindt een voortdurende toetsing plaats en een herschikking aan het eind van iedere maand.

Raadpleeg hiervoor de methodologie van de Bloomberg SASB US Corporate High Yield ESG Ex-Controversies Select Index:

<https://www.bloomberg.com/professional/product/indices/>



B. No sustainable investment objective

The Fund promotes environmental or social characteristics, but does not have as its objective a sustainable investment.



C. Environmental or social characteristics of the financial product

The environmental and social factors promoted by the Fund are those which contribute to the R-Factor™ scores applied to index constituents including the Bloomberg SASB US Corporate High Yield ESG Ex-Controversies Select Index (the "Index"), which are a function of an assessment and rating by the Index provider of various environmental, social and governance characteristics for companies in the index universe.

For more information on R-Factor™ scores, please refer to the SSGA website:

https://www.ssga.com/uk/en_gb/intermediary/ic/capabilities/esg/data-scoring/r-factor-transparent-esg-scoring#:~:text=R%2DFactor%E2%84%A2%20is%20the,materiality%20in%20the%20scoring%20process.

In addition, the Index excludes issuers that are tagged with extreme event controversies, controversial weapons, United Nations Global Compact principles ("UNGC") violations, civilian firearms, thermal coal extraction and tobacco companies.



D. Investment Strategy

The investment policy of the Fund is to track the performance of the Index (or any other index determined by the Directors from time to time to track substantially the same market as the Index) as closely as possible while seeking to minimize as far as possible the tracking difference between the Fund's performance and that of the Index.

The Index is an investment grade (high quality), fixed-rate, Euro-denominated benchmark that optimizes its R-Factor™ score, an environmental, social and governance ("ESG") rating, provided by State Street Global Advisors®. Based on the Bloomberg US Corporate High Yield Bond Index (the "U.S. HY Corporate Index"), the Index selects securities eligible for the U.S. HY Corporate Index, then aims to exclude certain issuers based on their ESG characteristics considering both their ESG rating and their involvement in certain controversial business activities as outlined in the Index methodology.

Then, the Index weights securities using an optimisation process, in order to seek to maximise the portfolio ESG rating, while controlling for active total risk. The active total risk refers to the variation between the Index and the U.S. HY Corporate Index.

The Investment Manager and/or Sub-Investment Manager, on behalf of the Fund, invests using the stratified sampling strategy as further described in the "Investment Objectives and Policies – Index Tracking Funds" section of the Prospectus, primarily in the securities of the Index, at all times in accordance with the Investment Restrictions set forth in the Prospectus.

Companies deemed not in violation by the Index provider of the UNGC principles are considered to exhibit good governance. For information on the methodologies used in the construction of the Index and further information on the exclusion criteria and data sources, please refer to Bloomberg's index methodology description which can be found at the following link:

<https://www.bloomberg.com/professional/product/indices/bloomberg-barclays-indices>



E. Proportion of investments

At least 90% of the Fund's assets are invested in securities that are constituents of the Index and aligned with environmental and / or social characteristics, while the Index provider applies ESG ratings on all the Index constituents. The Fund does not commit to making sustainable investments within the meaning of the SFDR or the Taxonomy Regulation. The Fund may hold 10% of its assets in cash or cash equivalents and derivatives used for currency hedging and efficient portfolio management purposes, at the Investment Manager's discretion. Such assets will not be aligned with environmental and social characteristics, nor will there be any environmental or social safeguards in place.



F. Monitoring of environmental or social characteristics

The sustainability indicators used to measure the attainment of each of the environmental or social characteristics promoted by this Fund are based on the Index, which optimises an ESG rating that is constituted by a "responsibility factor" ("R-Factor™"). The R-Factor approaches ESG scoring by capturing the full spectrum of "financially material" metrics to isolate long-term sustainability drivers of value across environmental, human capital, social capital, business model, leadership and corporate governance dimensions.

The scoring methodology systematically integrates best-in-class data, transparent sustainability framework, financial materiality across industries and corporate governance standards to define one R-Factor score for every company.

The Fund rebalances on a monthly basis, in line with the Index rebalancing frequency.



G. Methodologies

The index methodology which captures the environmental or social characteristics promoted by the financial product is made available in the fund supplement.



H. Data sources and processing

The data sources used to attain the relevant environmental or social characteristics are detailed in the index methodology.



I. Limitations to methodologies and data

There is a risk that the index provider may make errors, such as incorrect assessment of the screen criteria described in the Investment Policy and/or include incorrect/exclude correct constituents in the screening process. ESG scoring and screening is subject to inherent methodological limits. Any assessment of ESG criteria by an Index is based on the data provided by third parties. Such assessments are dependent upon information and data that may be incomplete, inaccurate or unavailable, which could cause incorrect assessment of an issuer's ESG performance. In particular there may be potential inconsistencies, inaccuracy or a lack of availability of required ESG data, particularly where this is issued by external data providers. These limitations may include but are not limited to issues relating to: - Missing or incomplete data from companies (for example, relating to their capacity to manage their Sustainability Risks) which have been used as input for any scoring model; - The quantity and quality of ESG data to be processed; and - The identification of relevant factors for the ESG analysis.

ESG data may be based on certain assumptions, forecasts, projections, views and opinions which may be based on current market trends or anticipated future events. To assess company involvement in different activities and to estimate revenue shares as accurately as possible, data providers strive to obtain information directly from companies and issuers. Sources of data include annual reports, regulatory filings, sustainability reports, press releases, investor presentations, company websites, and other company disclosures. Given the developing and innovative nature of data models, methodologies and assumptions and the inherent uncertainty in predicting forward-looking events, it cannot be guaranteed that the ESG data is always accurate or correct or that the ESG data will satisfy the aims or requirements of any specific client or investor. Furthermore, there may be data that cannot be sourced due to the lack of availability of data sources.



J. Due diligence

SSGA oversees external vendors, including index providers, in line with its third party risk management programme. SSGA engages with index providers regularly for service level reviews and also undertakes targeted reviews of index providers' processes, systems & systems controls, data, quality controls & IT security.



K. Engagement policies

Is engagement part of the environmental or social investment strategy?

Yes

No

While SSGA engagement policies are not directly embedded into the Fund's investment strategy, for SSGA the informed exercise of voting rights coupled with targeted and value-driven engagement is the most effective mechanism of creating value and managing Sustainability Risk for the investors. SSGA's Asset Stewardship programme consolidates all voting and engagement activities across asset classes, irrespective of investment strategy or geographic region. The engagement strategy is built on SSGA's ability to prioritise and allocate resources to companies and issues that have the greatest potential impact. SSGA's Asset Stewardship programme is underpinned by 3 separate pillars, that is, (i) providing information and guidance to investee companies on the development of

ESG practices across key issues, (ii) engaging with portfolio companies to encourage transparent, accountable, high performing boards and companies, and (iii) by exercising voting rights in a manner that reflects long term investment objectives for the purpose of influencing the activity or behaviour of the issuers. To support this process, SSGA has developed proprietary in-house tools to help identify companies for active engagement based on various financial and ESG indicators.



L. Reference benchmark

Has a reference benchmark been designated for the purpose of attaining these characteristics promoted by the Fund?

- Yes
 No

The Fund is an index fund tracking the performance of the Bloomberg SASB US Corporate High Yield ESG Ex-Controversies Select Index. The Index has been designated for the purpose of attaining the environmental and social characteristics promoted by the Fund. The Index applies an ESG scoring and screening methodology using the R-Factor™ scores.

The Index methodology provides for ongoing review and rebalances at each month-end.

Please refer to Bloomberg SASB US Corporate High Yield ESG Ex-Controversies Select Index methodology:

<https://www.bloomberg.com/professional/product/indices/>

"Bloomberg®" and all Bloomberg Indices are service marks of Bloomberg Finance L.P. and its affiliates, including Bloomberg Index Services Limited ("BISL"), the administrator of the index (collectively, "Bloomberg") and have been licensed for use for certain purposes by State Street Bank and Trust Company, through its State Street Global Advisors division ("SSGA"). Bloomberg is not affiliated with SSGA, and Bloomberg does not approve, endorse, review, or recommend any SSGA product. Bloomberg does not guarantee the timeliness, accurateness, or completeness of any data or information relating to any SSGA product.

Standard & Poor's®, S&P® and SPDR® are registered trademarks of Standard & Poor's Financial Services LLC (S&P); Dow Jones is a registered trademark of Dow Jones Trademark Holdings LLC (Dow Jones); and these trademarks have been licensed for use by S&P Dow Jones Indices LLC (SPDJI) and sublicensed for certain purposes by State Street Corporation. State Street Corporation's financial products are not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P, their respective affiliates and third party licensors and none of such parties make any representation regarding the advisability of investing in such product(s) nor do they have any liability in relation thereto, including for any errors, omissions, or interruptions of any index. The trademarks and service marks referenced herein are the property of their respective owners. Third party data providers make no warranties or representations of any kind relating to the accuracy, completeness or timeliness of the data and have no liability for damages of any kind relating to the use of such data. The whole or any part of this work may not be reproduced, copied or transmitted or any of its contents disclosed to third parties without SSGA's express written consent.