

Translating ESG Goals into Action

S&P DJI ESG Indices



S&P DJI has been a pioneer in ESG indexing for over 20 years, starting with the 1999 launch of the Dow Jones Sustainability World Index. Combining cutting-edge environmental data and modelling from Trucost and broad-ranging sustainability data from SAM, we deliver an extensive range of ESG offerings to address a wide variety of risk/return and ESG needs. Our solutions run the gamut from core ESG and low-carbon climate approaches to thematic and fixed income ESG strategies, just to name a few.

**S&P Dow Jones
Indices**

A Division of **S&P Global**

Index Offerings

Core ESG	Climate	Thematic ESG	Fixed Income ESG
Includes best-in-class approaches like the DJSI, targeting the top 10% of ESG performers, as well as broader market indices like the S&P 500 ESG Index, designed to closely track its parent index with a similar risk and return profile and low tracking error.	Designed to address climate change and the transition to a low-carbon economy, these indices seek to address various carbon reduction objectives. Includes current and forward-looking strategies that align with the Task Force for Climate-related Financial Disclosures (TCFD) and the climate benchmark standards proposed by the EU Technical Expert Group on Sustainable Finance.	These indices focus on specific ESG-related issues, often with a relatively narrow objective. Included are clean and renewable energy indices, green real estate indices, and our global water index.	These indices, which include access to green bonds, apply ESG methodologies to fixed income strategies.

S&P Global ESG Data Solutions

SAM

SAM, part of S&P Global, provides the data that powers the globally recognized Dow Jones Sustainability Indices, S&P 500 ESG Index, and others in the S&P ESG Index Series. Each year, SAM conducts the Corporate Sustainability Assessment, an ESG analysis of over 7,300 companies. The CSA has produced one of the world's most comprehensive databases of financially material sustainability information, and serves as the basis for the scores that govern S&P DJI ESG indices.

Trucost

S&P DJI has partnered with leading environmental data provider, S&P Global's Trucost, since 2009 to provide low-carbon investment solutions. These low-carbon indices use Trucost's data on global corporate carbon emissions, fossil fuel exposure, and carbon pricing to track forward-looking risk and specific carbon reduction outcomes.

Spotlight on the S&P 500 ESG Index

The S&P 500 ESG Index draws on the intelligence of S&P DJI ESG Scores, which robustly measure companies' ESG risk and performance factors. Designed with the goal of maintaining broad benchmark-like industry exposure while improving ESG performance, it excludes companies with activities in key negative ESG areas. That includes companies involved in the extraction and consumption of thermal coal, production of tobacco and controversial weapons, as well as companies with low UN Global Compact scores

ESG Exclusions

Several of our index methodologies apply ESG screens targeting specific business activities, such as alcohol, armaments, adult entertainment, firearms, gambling, landmines, nuclear power and weapons, thermal coal, and tobacco. ESG exclusions provide an effective means to enhance the targeting and focus of an ESG index strategy.

ESG Controversies Monitoring

Companies can be exposed to significant ESG risks and may be responsible for misconduct relating to a wide array of ESG issues. Controversies monitoring helps to capture relevant issues as they come to light, which allows us to immediately adjust indices to maintain their ESG profile as necessary.

Historical Performance of the S&P 500 ESG Index vs. the S&P 500



Data has been re-based at 100.

Source: S&P Dow Jones Indices LLC. Data as of April 30, 2020. Past performance is no guarantee of future results. Chart is provided for illustrative purposes and reflects hypothetical historical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

Featured S&P DJI ESG Indices

Index Tracker	Index Name	Benchmark Index	Index 5 Year Annualized Returns (%)	Benchmark 5 Year Annualized Returns (%)	Index 5 Year Annualized Risk (%)	Benchmark 5 Year Annualized Risk (%)	5 Year Tracking Error (%)	Index-level ESG Score Improvement (%)
Core ESG								
ESG								
SPXESUT	S&P 500 ESG	S&P 500	9.65%	9.12%	14.52%	14.70%	0.83%	+21.17%
SPLESGUT	S&P Global LargeMidCap ESG	S&P Global LargeMidCap	5.37%	4.93%	14.14%	14.32%	0.63%	+27.45%
SPEESET	S&P Europe 350 ESG	S&P Europe 350	0.45%	0.07%	14.22%	14.24%	0.96%	+37.58%
SPJESGUT	S&P Japan 500 ESG	S&P Japan 500	0.58%	0.45%	17.13%	16.43%	1.68%	+29.65%
SPAESGAT	S&P/ASX 200 ESG	S&P/ASX 200	3.31%	3.46%	15.06%	15.12%	1.52%	+23.09%
DJSI								
W1SGI	DJSI World	S&P Global LargeMidCap	5.96%	4.93%	14.00%	14.32%	3.83%	+86.98%
A1SGI	DJSI North America Composite	S&P North America LargeMidCap	9.20%	8.59%	14.63%	14.76%	2.13%	+69.38%
DJSEUR	DJSI Europe	S&P Europe LargeMidCap	1.91%	-0.02%	13.52%	14.22%	2.27%	+73.67%
Index Tracker	Index Name	Benchmark Index	Index 5 Year Annualized Returns (%)	Benchmark 5 Year Annualized Returns (%)	Index 5 Year Annualized Risk (%)	Benchmark 5 Year Annualized Risk (%)	5 Year Tracking Error (%)	Weighted Average Carbon Intensity (tCO ₂ e/US\$m)
Climate								
Paris-Aligned & Climate Transition								
SPEPABET	S&P Eurozone LargeMidCap Paris-Aligned Climate Index	S&P Eurozone LargeMidCap	-2.90% ²	-3.03% ²	15.44% ²	16.25% ²	1.68%	-61.11% ¹
SPECTBET	S&P Eurozone LargeMidCap Climate Transition Index	S&P Eurozone LargeMidCap	-2.27% ²	-3.03% ²	15.37% ²	16.25% ²	1.43%	-13.42% ¹
Carbon Efficient								
SP5CEUT	S&P 500 Carbon Efficient	S&P 500	9.08%	9.12%	14.84%	14.70%	0.48%	-27.92%
SP12CEUT	S&P Global 1200 Carbon Efficient	S&P Global 1200	5.59%	5.57%	14.27%	14.11%	0.53%	-30.49%
SP35CEET	S&P Europe 350 Carbon Efficient	S&P Europe 350	-0.26%	0.07%	14.28%	14.24%	0.65%	-21.22%
Fossil Fuel Free								
SP5F3UT	S&P 500 Fossil Fuel Free	S&P 500	9.91%	9.12%	14.59%	14.70%	0.80%	-12.87%
SPGF3UT	S&P Global 1200 Fossil Fuel Free	S&P Global 1200	6.32%	5.57%	14.11%	14.11%	0.88%	-21.56%
SPEF3ET	S&P Europe 350 Fossil Fuel Free	S&P Europe 350	0.41%	0.07%	14.26%	14.24%	1.67%	-32.75%
Carbon Price Risk 2030 Adjusted								
SP5CPRUT	S&P 500 Carbon Price Risk 2030 Adjusted	S&P 500	9.63%	9.12%	14.56%	14.70%	0.38%	-36.11%
SPG1CRUT	S&P Global 1200 Carbon Price Risk 2030 Adjusted	S&P Global 1200	5.98%	5.57%	14.10%	14.11%	0.36%	-38.55%
SPEUCRET	S&P Europe 350 Carbon Price Risk 2030 Adjusted	S&P Europe 350	0.16%	0.07%	14.12%	14.24%	0.54%	-42.41%
Index Tracker	Index Name	Benchmark Index	Index 5 Year Annualized Returns (%)	Benchmark 5 Year Annualized Returns (%)	Index 5 Year Annualized Risk (%)	Benchmark 5 Year Annualized Risk (%)	5 Year Tracking Error (%)	Weighted Average Carbon Intensity (tCO ₂ e/US\$m)
Thematic ESG								
SPDICEUT	S&P 500 Drucker Institute Quality	S&P 500	11.46%	9.12%	14.56%	14.70%	3.05%	-19.48%
DJSERGUT	Dow Jones Global Green RESI ¹	Dow Jones Global Select REIT	-0.78%	-0.26%	16.47%	16.10%	0.77%	-11.24%
DJSERUUT	Dow Jones U.S. Green REIT ¹	Dow Jones U.S. Select REIT	0.71%	1.28%	17.49%	17.31%	0.66%	-6.24%
SPXCVUT	S&P 500 [®] Catholic Values	S&P 500	9.25%	9.12%	14.81%	14.70%	0.81%	-2.46%
SPLTV CUT	S&P Long-Term Value Creation (LTVC) Global	S&P Global LargeMidCap	4.77%	4.93%	13.19%	14.32%	5.21%	-11.28%
SPGTAQTR	S&P Global Water	S&P Global BMI	6.68%	4.52%	13.79%	14.67%	6.78%	+111.93%
SPGTCLTR	S&P Global Clean Energy	S&P Global 1200 Energy	-0.46%	-8.75%	21.31%	24.05%	17.84%	-62.84%

¹This is a different carbon footprint metric than the one required for use for EU CTBs and PABs, so carbon footprint reductions relative to benchmark may not necessarily exceed -30% and -50%, as required for EU CTBs and PABs respectively, using this approach.

²The index has less than 5 years of history; 3-year performance shown instead.

Source: S&P Dow Jones Indices LLC. Charts and graphs are provided for illustrative purposes. Past performance is not an indication or guarantee of future results. Data from April 30, 2015 to April 30, 2020. Index performance based on daily total returns, USD for U.S., global, and emerging market indices, and local currency for country- and region-specific indices unless stated otherwise. The Index-level ESG Score Improvement is calculated using the S&P DJI ESG Scores and index data as of April 30, 2020. The 'Index ESG Score Improvement' is calculated as the percentage difference between the Index ESG scores of the S&P 500 ESG Index and the S&P 500, relative to the index's maximum potential improvement, based on only investing in the single highest ranked ESG scoring company. For further information on how the Weighted Average Carbon Intensity and Carbon to Revenue footprints are calculated, visit <https://www.spglobal.com/spdji/esg-carbon-metrics>.

About S&P Dow Jones Indices

S&P Dow Jones Indices is the largest global resource for essential index-based concepts, data and research, and home to iconic financial market indicators, such as the S&P 500® and the Dow Jones Industrial Average®. More assets are invested in products based on our indices than products based on indices from any other provider in the world. Since Charles Dow invented the first index in 1884, S&P DJI has been innovating and developing indices across the spectrum of asset classes helping to define the way investors measure and trade the markets.

S&P Dow Jones Indices is a division of S&P Global (NYSE: SPGI), which provides essential intelligence for individuals, companies, and governments to make decisions with confidence. For more information, visit www.spdji.com.

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Performance Disclosure

The S&P Eurozone LargeMidCap Paris-Aligned Climate Index was launched on April 20, 2020. The S&P Eurozone LargeMidCap Climate Transition Index was launched on April 20, 2020. The S&P 500 ESG Index was launched on January 28, 2019. The S&P 500 Environmental & Socially Responsible Index and S&P International Environmental & Socially Responsible Index were launched on May 11, 2015. The S&P 500 Carbon Efficient Index, S&P Global 1200 Carbon Efficient Index, and S&P Europe 350 Carbon Efficient Index were launched on October 22, 2018. The S&P Global LargeMidCap Carbon Efficient Index and S&P/JPX Carbon Efficient Index were launched on July 17, 2018. The S&P 500 Fossil Fuel Free Index, S&P Global 1200 Fossil Fuel Free Index, and S&P Europe 350 Fossil Fuel Free Index were launched on August 28, 2015. The S&P 500 Carbon Price Risk 2030 Adjusted Index was launched on May 31, 2018. The S&P Global 1200 Carbon Price Risk 2030 Adjusted Index and S&P Europe 350 Carbon Price Risk 2030 Adjusted Index were launched on July 2, 2018. The S&P/ASX 200 Carbon Price Risk 2030 Adjusted Index was launched on August 1, 2018. The S&P 500 Catholic Values Index was launched on August 10, 2015. The S&P Long-Term Value Creation (LTVC) Global Index was launched on January 11, 2016. The JPX/S&P CAPEX & Human Capital Index was launched on April 27, 2016. The S&P Green Bond Index was launched on July 31, 2014. The S&P Green Bond Select Index was launched on February 17, 2017. The S&P 500 Bond Investment Grade Carbon Efficient Index was launched on November 5, 2018. All information for an index prior its Launch Date is back-tested, based on the methodology in effect on the Launch Date. However, when creating back-tested history for periods of market anomalies or other periods that do not reflect the general current market environment, index methodology rules may be relaxed to capture a large enough universe of securities to simulate the target market the index is designed to measure or strategy the index is designed to capture. For example, market capitalization and liquidity thresholds may be reduced. Back-tested performance, which is hypothetical and not actual performance, is subject to inherent limitations because it reflects application of an Index methodology and selection of index constituents in hindsight. No theoretical approach can take into account all of the factors in the markets in general and the impact of decisions that might have been made during the actual operation of an index. Actual returns may differ from, and be lower than, back-tested returns.

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