S&P Dow Jones Indices Launches Global ESG Index Series Based on Core Regional and Country Benchmarks

NEW YORK, May 21, 2019 /PRNewswire/ -- S&P Dow Jones Indices ("S&P DJI"), the world's leading index provider, today announced the newest additions to its global Environmental, Social and Governance (ESG) index family. Drawing from two decades of pioneering ESG index innovation, this new set of indices provides performance profiles in line with several headline indices including the S&P Global 1200, Europe 350, S&P/ASX 200 and S&P Japan 500.

The new indices also include ESG versions of S&P DJI's well-known country and regional large and midcap benchmarks covering the Americas, Europe, Middle East and Africa (EMEA) and Asia-Pacific (APAC). These global ESG indices use enhanced ESG Scores and granular data that underpin the methodology for company inclusions and exclusions.

"We're excited to introduce this new series of ESG indices following the debut of the S&P 500 ESG Index and ESG Scores in April," **said Alex Matturri, Chief Executive Officer at S&P Dow Jones Indices**. "Across the company, we are developing a portfolio of products that provide an ESG lens on investments, adding layers of insights for clients. These new indices provide market participants an investment tool that is aligned with their values and has a return profile that's consistent with mainstream benchmarks that have been widely followed for years."

The S&P DJI ESG Scores serve as the foundation for index constituent eligibility and selection. The ESG Scores are overseen by S&P DJI's governance group and are calculated by SAM, a unit of RobecoSAM that specializes in producing ESG data. The S&P DJI ESG Scores are also available to market participants as a standalone tool for a broad range of research and investment purposes.

These global ESG indices follow eligibility criteria based on companies' ESG Scores, business activities and the UN Global Compact (UNGC). The indices exclude companies that produce tobacco, have tobacco sales and tobacco-related products and services greater than 10% of their revenues. The indices also exclude companies involved in controversial weapons either directly or via an ownership stake of 25% or more of another company involved in these weapons. Companies not aligned with the UNGC and that have poor UNGC scores are not included as well as those with S&P DJI ESG Scores in the bottom 25% of companies globally within their Global Industry Classification Standard (GICS) groups. The end result is an ESG index version whose risk and return profile is closely in line with that of its regional or country parent notwithstanding the various exclusions the methodology requires.

"We're very proud of the thorough research and analytical rigor applied to the design of this family of core regional and country ESG indices," **said Reid Steadman, S&P DJI's Global Head of ESG Indices**. "While ESG has long been of great interest to investors, market participants are becoming increasingly sophisticated in integrating ESG factors into their investments. Through our collaboration with SAM, we've developed an enhanced ESG scoring methodology that is purposely built for integration in our indices."

A total of 22 regional and country ESG indices are part of this global launch:

- S&P/ASX 200 ESG
- S&P Europe 350
- S&P Japan 500 ESG
- S&P Global 1200 ESG
- S&P United States LargeMidCap ESG
- S&P Canada LargeMidCap ESG
- S&P Korea LargeMidCap ESG
- S&P North America LargeMidCap ESG
- S&P Europe Developed LargeMidCap ESG
- S&P Mid-East and Africa Developed LargeMidCap ESG
- S&P Asia Pacific Developed LargeMidCap ESG
- S&P Developed LargeMidCap ESG

- S&P Europe Emerging LargeMidCap ESG
- S&P Latin America Emerging LargeMidCap ESG
- S&P Mid-East and Africa Emerging LargeMidCap ESG
- S&P Asia Pacific Emerging Large MidCap ESG
- S&P Emerging LargeMidCap ESG
- S&P Global LargeMidCap ESG
- S&P Asia Pacific Developed ex Korea ESG
- S&P Asia Pacific Emerging Plus LargeMidCap ESG
- S&P Developed BMI ex Korea LargeMidCap ESG
- S&P Emerging Plus LargeMidCap ESG

S&P DJI has been a leader in ESG indexing for 20 years. Since the 1999 launch of the Dow Jones Sustainability Index (DJSI), the first global sustainability benchmark, S&P DJI now offers a range of ESG index solutions including carbon-efficient indices introduced in 2018. In April 2019, S&P DJI introduced the S&P 500 ESG Index based on the S&P 500®.

Please visit www.spdji.com for more information about the methodology behind our global family of ESG indices.

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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