Federal Government of Germany Selects S&P Dow Jones Indices to Create EU Climate Transition Index

FRANKFURT and LONDON, May 5, 2021 /PRNewswire/ -- S&P Dow Jones Indices ("S&P DJI"), the world's leading index provider, announced today that it has been selected by the Federal Government of Germany to develop an innovative Environmental, Social and Governance (ESG) index which will serve as a performance benchmark for four of the government's Federal Special Pension Funds.

S&P DJI is collaborating with the German government to launch the S&P ESG Eurozone 60 Bund-SV Index, a customized index which incorporates the minimum standards for EU Climate Transition Benchmarks as described in Regulation (EU) 2019/2089 and aligned with the landmark Paris Agreement.

This unique index collaboration comes at a time when the German government is moving to implement its Climate Action Plan to tackle climate change and achieve net-zero emissions. As part of the country's sustainability goals, the German government aligns its pension fund investments with its efforts to curb global warming to no more than 1.5°C.

"We are proud and honored to have been selected by the Federal Government ofGermany to develop an index for their pension funds, enabling them to measure and capture the financial risks associated with climate change, generate actionable insights, support their goals for a secure financial future and help advance a more sustainable society," said Dan Draper, Chief Executive Officer at S&P Dow Jones Indices.

"This important milestone reinforces S&P DJI's view that ESG-focused indices are becoming more mainstream as European and global investors recognize that sustainability targets can complement and help achieve their goals for long-term asset protection and growth," Mr. Draper added.

The S&P ESG Eurozone 60 Bund-SV Index will utilize S&P Global's ESG Scores to determine eligibility. Index constituents will be selected and weighted to be collectively compatible with a 1.5°C global warming climate scenario and to meet other climate-focused objectives. Companies involved in certain business activities, including those that are not aligned with the principles of the United Nations' Global Compact and those that are involved in ESG controversies, will be excluded from the index.

S&P DJI is a pioneer in ESG indexing and benchmarking for more than two decades starting with the launch of the Dow Jones Sustainability World Index in 1999. Today, S&P DJI offers a wide range of ESG indices and benchmarks globally including sustainable versions of its flagship core equity indices such as the S&P 500, S&P MidCap 400, S&P SmallCap 600 and S&P Europe 350. In addition, S&P DJI offers a series of Paris-Aligned Climate Transition (PACT) indices to capture risks, returns and opportunities in the move towards a low-carbon global economy.

For more information about **S&P Dow Jones Indices**, please visit https://www.spglobal.com/spdji/en/.

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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.

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