

S&P SDG Indices

The S&P Sustainable Development Goals (SDG) Indices aim to measure the performance of eligible equity securities from the underlying indices, selected and weighted to collectively enhance the alignment to the United Nations' 17 SDGs and reduce the carbon footprint at the index level.

How Does the Index Work?



What Sets the S&P SDG Indices Apart?

Data

S&P DJI has collaborated with a specialist data provider, Impact Cubed, whose data:

- Is SDG-company aligned and determined through operations, products, and services.
- Is granular and covers over 40,000 issuers and revenue maps to 2,600 activities.
- Identifies positive and negative SDG-aligned companies in relation to investment operations, products, and services.

Construction Approach

The methodology incorporates S&P DJI's glass-box optimization to minimize deviations from the underlying index while integrating SDGs and carbon datasets to achieve multiple objectives.

Index Objectives

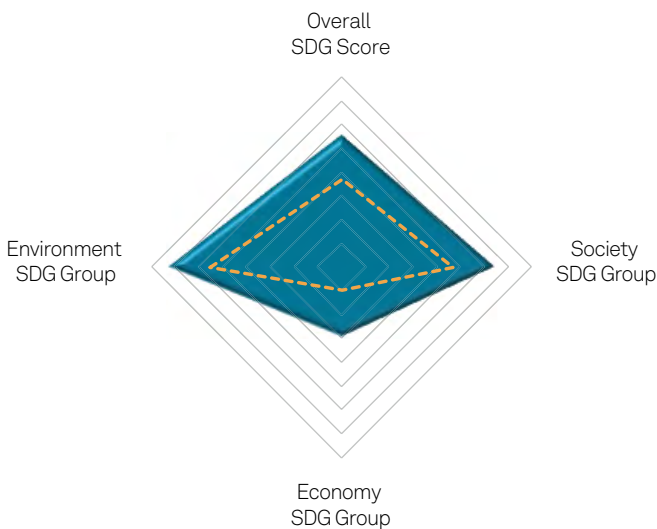
- To have greater alignment to the SDGs through constituents' activities and operations than the underlying index.
- To reduce the amount of negatively aligned SDG revenue at an index level relative to the underlying index.
- Reduce the index-level carbon footprint and greenhouse gas emissions intensity relative to the underlying index.

The SDG Groups

| Society | Economy | Environment |
|---|---|-----------------------|
| 1 No Poverty | 8 Decent Work and Economic Growth | 13 Climate Action |
| 2 Zero Hunger | 9 Industry, Innovation and Infrastructure | 14 Life Below Water |
| 3 Good Health and Well-Being | 10 Reduced Inequalities | 15 Life on Land |
| 4 Quality Education | 12 Responsible Consumption and Production | |
| 5 Gender Equality | 17 Partnerships for the Goals | |
| 6 Clean Water and Sanitation | | |
| 7 Affordable and Clean Energy | | |
| 11 Sustainable Cities and Communities | | |
| 16 Peace, Justice and Strong Institutions | | |

Operations Alignment*

S&P 500 SDG Index



— S&P 500® SDG Index
 - - - S&P 500

S&P Global LargeMidCap SDG Index



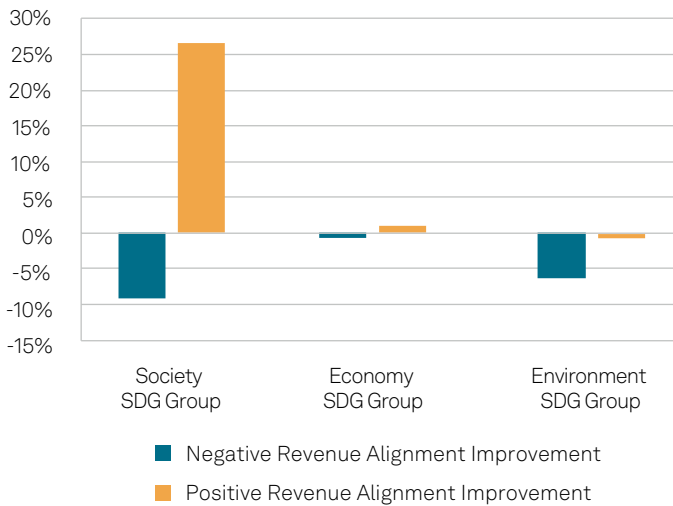
— S&P Global LargeMidCap SDG Index
 - - - S&P Global LargeMidCap

* Aggregate operations alignment is calculated as the weighted average of the overall SDG scores or SDG group scores.

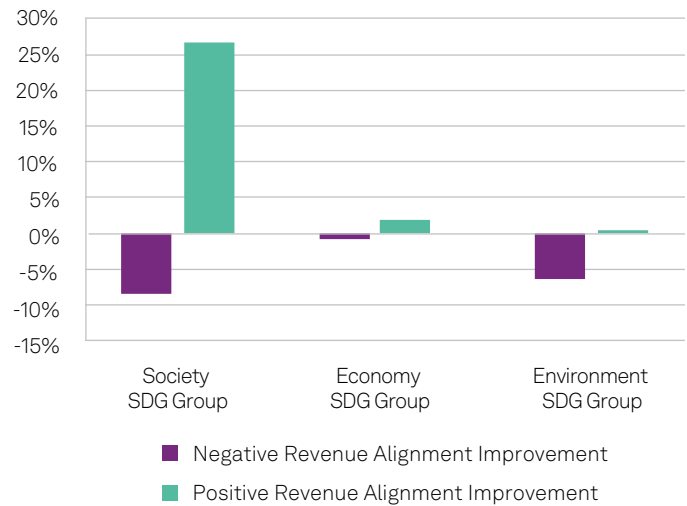
Source: S&P Dow Jones Indices LLC. Data as of Nov. 17, 2023. The S&P 500 SDG Index and S&P Global LargeMidCap SDG Index were launched Dec. 18, 2023. All data prior to index launch date is back-tested hypothetical data. Past performance is no guarantee of future results. Charts are provided for illustrative purposes and reflect hypothetical historical performance. Please see the Performance Disclosure linked at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

Revenue Alignment**

S&P 500 SDG Index



S&P Global LargeMidCap SDG Index



**Aggregate revenue alignment is calculated as specified in the index methodology, and improvement is the difference between the revenue alignment of the S&P SDG Index versus the underlying index. Individual SDG improvement is not targeted in the index methodology.

Source: S&P Dow Jones Indices LLC. Data as of Nov. 17, 2023. The S&P 500 SDG Index and S&P Global LargeMidCap SDG Index were launched Dec. 18, 2023. All data prior to index launch date is back-tested hypothetical data. Past performance is no guarantee of future results. Charts are provided for illustrative purposes and reflect hypothetical historical performance. Please see the Performance Disclosure linked at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

Historical Back-Tested S&P SDG Index Performance versus Benchmark

| Metric | S&P 500 | S&P 500 SDG Index | S&P Global LargeMidCap | S&P Global LargeMidCap SDG Index |
|------------------------------------|---------|-------------------|------------------------|----------------------------------|
| Number of Constituents | 503 | 331 | 3,507 | 1,246 |
| Three-Year Annualized Return (%) | 9.8 | 9.9 | 6.0 | 5.7 |
| Three-Year Standard Deviation (%) | 17.5 | 18.7 | 16.3 | 17.2 |
| Three-Year Risk-Adjusted Return | 0.56 | 0.53 | 0.37 | 0.33 |
| SDG Positive Revenue Alignment (%) | 28 | 56 | 21 | 50 |
| SDG Negative Revenue Alignment (%) | 17 | 0 | 16 | 0 |
| SDG Operational Score | -0.33 | -0.16 | -0.16 | 0.03 |
| Scope 1 and 2 WACI*** | 30.9 | 9.9 | 55.9 | 20.2 |
| Scope 1, 2, and 3 WACI*** | 297.5 | 92.8 | 463.2 | 192.4 |
| Active Share (%) | | 25 | | 30 |
| Tracking Error (%) | | 2.41 | | 2.01 |

***WACI stands for weighted-average carbon intensity

Source: S&P Dow Jones Indices LLC. Data as of Nov. 17, 2023. Annualized returns, standard deviation and risk-adjusted returns as of Nov. 30, 2023. The S&P 500 SDG Index and S&P Global LargeMidCap SDG Index were launched Dec. 18, 2023. All data prior to index launch date is back-tested hypothetical data. Past performance is no guarantee of future results. Table is provided for illustrative purposes and reflects hypothetical historical performance. Please see the Performance Disclosure linked at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

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