

S&P Dow Jones Indices

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PRESS RELEASE

S&P Dow Jones Indices Launches S&P/KRX Carbon Efficient Capped Index

NEW YORK AND SEOUL, NOVEMBER 26, 2020: S&P Dow Jones Indices (“S&P DJI”), the world’s leading index provider, and the Korea Exchange (“KRX”) announced the launch of the S&P/KRX Carbon Efficient Capped Index. The index data and methodology are now available to investors and market participants at <https://www.spglobal.com/spdji/en/indices/equity/sp-krx-carbon-efficient-capped-index/#overview>.

The S&P/KRX Carbon Efficient Capped Index is designed to measure the performance of companies in the S&P Korea BMI. The index excludes foreign companies as classified by the exchange and companies that are high carbon emitters or with insufficient greenhouse gas (GHG) emission disclosures, while overweighting or underweighting those companies that have lower or higher levels of GHG emissions per unit of revenue and applies a single constituent weight cap of 30%. The index is reconstituted annually and rebalanced quarterly.

Jointly launched by S&P DJI and KRX on November 16, the index aims to reflect the South Korean Government’s move to a low-carbon economy through its Green New Deal initiative. The initiative aims to achieve carbon neutrality by 2050 for the country. The index’s unique reweighting methodology helps promote behavioral change and recognizes companies for greater corporate transparency and optimized carbon-to-revenue footprints. The index currently includes 483 constituents, representing 90% of the S&P Korea BMI’s total market capitalization.

Woo-kyeong Hwang, Index Business Head of Korea Exchange said, "It is a great privilege to launch the S&P/KRX Carbon Efficient Capped Index jointly with S&P Dow Jones Indices, a leading index provider in the world. As the very first carbon efficient index in Korea, the index will be a big boost in global efforts to achieve carbon neutrality while helping businesses to respond to climate change."

Reid Steadman, Global Head of ESG Indices at S&P Dow Jones Indices said, “We are honored to launch the S&P/KRX Carbon Efficient Capped Index with the Korea Exchange and support the growth of green investments in the country. Our carbon efficient and ESG indices are designed to reflect the transition to more sustainable and low carbon economies globally. The index’s unique characteristics help encourage more transparency in ESG data and carbon footprints among Korean companies.”

S&P DJI offers a wide range of Environmental, Social and Governance (ESG) indices including the Carbon Efficient series, based on data from **Trucost**, part of **S&P Global**.

For more information on the S&P/KRX Carbon Efficient Capped, please visit: <https://www.spglobal.com/spdji/en/indices/equity/sp-krx-carbon-efficient-capped-index/#overview>.

For more information on the Carbon Efficient index family, please visit: <https://www.spglobal.com/spdji/en/>.

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