

S&P France 40 Paris-Aligned Transition ESG Index Consultation on Eligibility Requirements – Results

AMSTERDAM, DECEMBER 1, 2022: S&P Dow Jones Indices (“S&P DJI”) has conducted a [consultation](#) with market participants on potential changes to the S&P France 40 Paris-Aligned Transition ESG Index.

In order to better align with the index objective, S&P DJI is making changes to the eligibility requirements and index construction constraints used in this index. The changes are detailed below and on the following pages.

Eligibility Requirements

S&P DJI will exclude any company that does not have data coverage for Sustainalytics Risk Rating and Trucost Climate data (Transition Pathway, GHG Emissions (Scope 1, 2 and 3), Sector Revenues or Fossil Fuel Reserves).

| Methodology | |
|--|---|
| Previous | Updated |
| If a company does not have an Sustainalytics ESG Risk Rating, it is assigned the underlying index waESG. | If a company does not have a Sustainalytics ESG Risk Rating, it will be excluded. |
| – | If a company does not have Trucost data coverage related to Transition Pathway, GHG Emissions (Scope 1, 2 and 3), Sector Revenues or Fossil Fuel Reserves, it will be excluded. |

Exclusions Based on Business Activities

S&P DJI will introduce additional and revised exclusions based on a company’s involvement in certain defined business activities. The additional exclusions cover Controversial Weapons, Small Arms, and Military Contracting. The revised exclusion covers Tobacco retail. The table below and on the following page details the changes:

| Category of Involvement | Previous | Updated |
|---|----------|--|
| Controversial Weapons: Non-Tailor made or Non-Essential: The company provides components/services for the core weapon system, which are either not considered tailor-made or not essential to the lethal use of the weapon. | -- | Level of Involvement Threshold: >0% Significant Ownership Threshold: ≥25% |
| Small Arms: Civilian Customers (Assault Weapons): The company manufactures and sells assault weapons to civilian customers. | -- | Level of Involvement Threshold: >0% Significant Ownership Threshold: ≥25% |
| Small Arms: Civilian Customers (Non-Assault weapons): The company manufactures and sells small arms (non-assault weapons) to civilian customers | -- | Level of Involvement Threshold: >0% Significant Ownership Threshold: ≥25% |
| Small Arms: Key Components: The company manufactures and sells key components of small arms. | -- | Level of Involvement Threshold: >0% Significant Ownership Threshold: ≥25% |

| Category of Involvement | Previous | Updated |
|---|--|--|
| Small Arms: Retail/distribution (Assault weapons): The company is involved in the retail and/or distribution of assault weapons. | -- | Level of Involvement Threshold: >0% Significant Ownership Threshold: ≥25% |
| Small Arms: Retail/distribution (Non-Assault weapons): The company is involved in the retail and/or distribution of small arms (Non-assault weapons). | -- | Level of Involvement Threshold: >0% Significant Ownership Threshold: ≥25% |
| Small Arms: Military/Law Enforcement Customers: The company manufactures and sells small arms to military/law enforcement. | -- | Level of Involvement Threshold: >0% Significant Ownership Threshold: ≥25% |
| Military Contracting: Weapons: The company manufactures military weapon systems and/or integral, tailor-made components of these weapons. | -- | Level of Involvement Threshold: ≥0% Significant Ownership Threshold: ≥25% |
| Military Contracting: Weapon Related Products and/or Services: The company provides tailor-made products and/or services that support military weapons. | -- | Level of Involvement Threshold: ≥5% Significant Ownership Threshold: N/A |
| Tobacco: Retail: The company derives revenue from the distribution and/or retail sale of tobacco products. | Level of Involvement Threshold: ≥10% Significant Ownership Threshold: N/A | Level of Involvement Threshold: ≥5% Significant Ownership Threshold: N/A |

IMPLEMENTATION TIMING

S&P DJI will implement the previously described methodology changes in conjunction with the upcoming rebalancing, which takes effect prior to the market open on **Monday, January 2, 2023**. The changes will first be visible to clients beginning on **Thursday, December 22, 2022**.

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

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